

269

CERTIFICATE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM 1924 1925

No. 156

AMERICAN STEEL FOUNDRIES

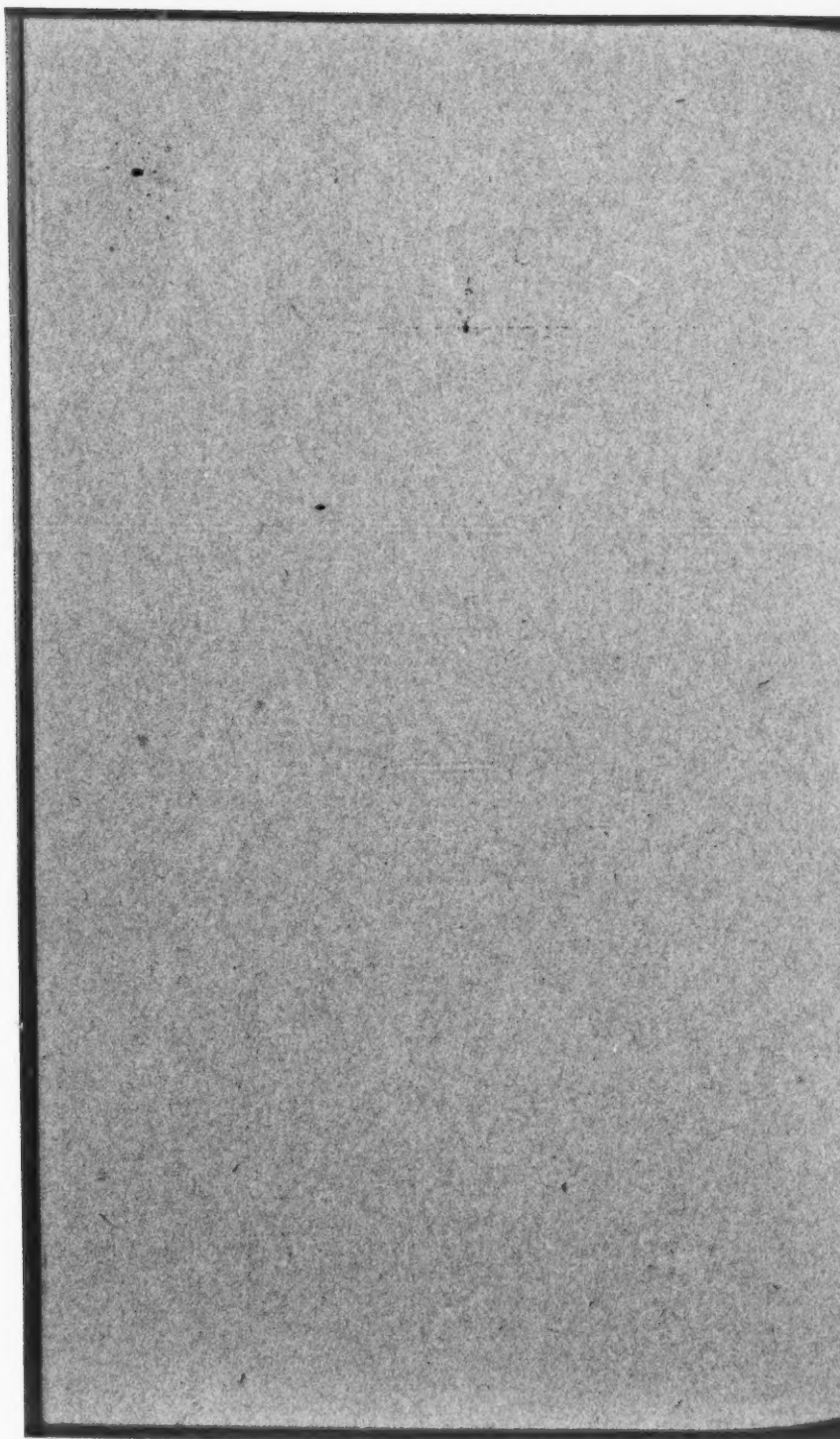
vs.

**THOMAS E. ROBERTSON, COMMISSIONER OF PATENTS,
AND SIMPLEX ELECTRIC HEATING COMPANY**

**ON CERTIFICATE FROM THE UNITED STATES CIRCUIT COURT OF
APPEALS FOR THE SEVENTH CIRCUIT**

FILED AUGUST 15, 1924

(30,554)



(30,554)

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 589

AMERICAN STEEL FOUNDRIES

vs.

THOMAS E. ROBERTSON, COMMISSIONER OF PATENTS,
AND SIMPLEX ELECTRIC HEATING COMPANY

ON CERTIFICATE FROM THE UNITED STATES CIRCUIT COURT OF
APPEALS FOR THE SEVENTH CIRCUIT

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[fol. 1] **IN UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SEVENTH CIRCUIT, OCTOBER TERM, 1923,
APRIL SESSION, 1924**

No. 3405

AMERICAN STEEL FOUNDRIES, Plaintiff,

vs.

THOMAS E. ROBERTSON, Commissioner of Patents, and SIMPLEX
ELECTRIC HEATING COMPANY, Defendants

Appeal from the District Court of the United States for the Northern
District of Illinois, Eastern Division

STATEMENT OF FACTS

In this suit certain questions of law arise concerning which this court is in doubt and desires the advice of the Supreme Court.

(1) The plaintiff, American Steel Foundries, is a corporation organized July 26, 1902, and organized and existing under the laws of the State of New Jersey, and has an office and place of business at Chicago, Illinois; and the defendant Simplex Electric Heating Company is a corporation organized and existing under the laws of the State of Massachusetts and has an office and place of business at Cambridge, Mass.

(2) The Simplex Railway Appliance Company, a predecessor of plaintiff, was incorporated on July 30, 1897, under the laws of the State of Illinois, and was dissolved and merged into the plaintiff at about the time of incorporation of the latter and that on August 1, 1897, it adopted, and it and its successor, the plaintiff herein, thereafter continued to use the Trade Mark "Simplex" on railway car bolsters, and registered said trade mark in Class 19, Vehicles, not including Engines, in the United States Patent Office on May 2, 1911, Certificate No. 81,752.

[fol. 2] (3) The plaintiff on June 1, 1907, adopted and continuously thereafter used, the Trade Mark "Simplex" on railway car couplers, and registered said trade mark in Class 19, Vehicles, not including Engines, in the United States Patent Office, on April 6, 1909, Certificate No. 73,250; and on April 16, 1917, adopted, and thereafter continuously used, the trade Mark "Simplex" on brake rigging, brake heads, brake beams, brake shoes, brake hangers, and clasp brakes.

(4) On May 19, 1917, plaintiff filed an application in the United States Patent Office for registration of the Trade Mark "Simplex" as applied to brake rigging, brake heads, brake beams, brake shoes, brake hangers, and clasp brakes, such application being given Serial No. 103,942; and on February 23, 1918, the Commissioner of Patents affirmed (264 O. G. 353) the refusal of the Examiner of Trade Marks to register plaintiff's said Trade Mark "Simplex" on the ground that it consisted merely in the name of a corporation, the

Simplex Electric Heating Company, and was therefore not registrable under Section 5 of the Trade Mark Act of February 20, 1905.

(5) Plaintiff took an appeal from said decision of the Commissioner of Patents to the Court of Appeals of the District of Columbia, which Court on May 5, 1919, rendered a judgment and decision (258 Fed. 1601) affirming the decision of the Commissioner of Patents refusing to register plaintiff's said trade mark.

(6) Prior to December 17, 1886, and continuously thereafter a firm or co-partnership was doing business under the name and style Simplex Electrical Company at Boston, Mass., and adopted and continuously thereafter used the Trade Mark "Simplex" in its business on insulated or protected conducting wire, and registered said Trade Mark in the United States Patent Office on October 28, 1890, Certificate No. 18,552.

(7) Simplex Electrical Company was organized under the laws of the State of Massachusetts on March 16, 1895, and has been in existence and carrying on business as such corporation continuously ever since. On February 1, 1913, the name of the said corporation was changed in accordance with the provision of the laws of the State of Massachusetts to Simplex Wire and Cable Company. The said Simplex Electric Company upon its organization took over and succeeded to the business of the aforesaid firm or co-partnership Simplex Electric Company.

[fol. 3] (8) Beginning in 1898 the said corporation Simplex Electrical Company extended its business to include the manufacture and sale of a variety of electrical heating devices and continuously thereafter and until the organization of Simplex Electric Heating Company used the Trade Mark "Simplex" upon the said devices in commerce between the State of Massachusetts and other states of the United States and foreign countries.

(9) The defendant, Simplex Electric Heating Company was incorporated on July 14, 1902 under the laws of the State of Massachusetts and has continuously thereafter been in existence and carrying on business. At the time of its organization it took over, succeeded to, and continuously thereafter carried on that part of the business of the aforesaid corporation Simplex Electric Company which related to electric heating devices.

(10) The defendant, Simplex Electric Heating Company registered certain Trade Marks comprising the word "Simplex" in the United States Patent Office as follows: Certificates Nos. 56315 and 56316, issued September 11, 1906; Certificate No. 56383, issued September 18, 1906. The Trade Marks shown in said certificates were adopted and used by the defendant in its business on the goods specified in said certificates on the dates stated in said certificates and have been continuously thereafter used upon the said goods.

(11) Said defendant, and its predecessors in business, have been continuously engaged in business and in commerce with the various

states of the United States and with foreign countries beginning prior to December 17, 1886, and have during such period continuously used the Trade Mark "Simplex" upon articles manufactured and sold by them in commerce between the State of Massachusetts and other states of the United States and foreign countries, said articles increasing in number and variety until up to the present time there are several hundred bearing the Trade-mark "Simplex."

(12) The word "Simplex" has comprised the whole or a part of Trade Marks registered in the United States Patent Office in nearly sixty registrations by nearly as many different parties and as applied to various classes of merchandise.

(13) There are and have been other corporations in this country [fol. 4] which now have or have had names which comprise the word "Simplex."

(14) The word "Simplex" was in existence prior to its adoption and use as a trade mark by defendant's predecessor but was lawfully subject to such adoption and use as the trade mark of and as the name of defendant's predecessor.

(15) The defendant Simplex Electric Heating Company is not now and neither it nor its predecessors ever have been engaged in the manufacture or sale of the devices specified in Paragraphs 2, 3 and 4 hereof, or any devices in competition therewith.

(16) The defendant Simplex Electric Heating Company was the opposer in trade mark oppositions No. 1453 against D. H. Burrell & Co. in which registration of the trade mark "Simplex" for Apparatus for Heating, Cooling and Pasteurizing Milk was finally refused on the decision of the Court of Appeals for the District of Columbia reported in 44 Appeals D. C. 452; No. 1286 against Gold Car Heating and Lighting Co., in which registration of the trade mark "Simplex" for Thermostatic Steam Traps was finally refused on the decision of the Court of Appeals for the District of Columbia reported in 43 Appeals D. C. 48; No. 1818 against Ramey Co. in which registration of the trade mark "Simplex" for Electric Vacuum Cleaners and Sweepers, was finally refused on the decision of the Court of Appeals for the District of Columbia reported in 46 Appeals D. C. 400.

Questions Certified

The questions concerning which this Court desires advice are these:

1. Does the clause of Section 5 of the Trade Mark Act of February 20, 1905,

"Provided, that no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of an individual * * * shall be registered under the terms of this Act."

prohibit registration as a trade mark under said Act of the word "Simplex" by the plaintiff under the recited facts?

2. Does the said clause quoted of Section 5 prohibited registration under the Act of February 20, 1905, of a trade mark consisting solely of a single word otherwise registrable under the said Act if [fol. 5] that word is the salient feature of the name of a corporation not the applicant for registration?

3. Does the above quoted clause of Section 5 of the Trade Mark Act of February 20, 1905, prohibit the registration under said Act, of a common-law trade-mark which is the name, or part of the name of another than the applicant, whose business relates exclusively to goods in a different and non-competing class from the goods on which the trade-mark is used by the applicant?

The clerk of this Court is directed to transmit a certified copy hereof to the Supreme Court.

Evan A. Evans, George T. Page, Claude Z. Luse, Judges of the United States Circuit Court of Appeals for the Seventh Circuit, sitting in said cause.

[fol. 6] IN UNITED STATES CIRCUIT COURT OF APPEALS

CLERK'S CERTIFICATE

I, Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit, do hereby certify that the foregoing printed pages, numbered from 1 to 5, inclusive, contain a true copy of the Questions of law certified to the Supreme Court of the United States on June 17, 1924, in the case of American Steel Foundries vs. Thomas E. Robertson, Commissioner of Patents, and Simplex Electric Heating Company, No. 3405, October Term, 1923, as the same remains upon the files and records of the United States Circuit Court of Appeals, for the Seventh Circuit.

In testimony whereof I hereunto subscribe my name and affix the seal of said United States Circuit Court of Appeals for the Seventh Circuit, at the City of Chicago, this seventeenth day of June, A. D. 1924.

Edward M. Holloway, Clerk of the United States Circuit Court of Appeals for the Seventh Circuit. (Seal of United States Circuit Court of Appeals, Seventh Circuit.)

Endorsed on cover: File No. 30,554. U. S. Circuit Court of Appeals, Seventh Circuit. Term No. 589. American Steel Foundries, vs. Thomas E. Robertson, Commissioner of Patents, and Simplex Electric Heating Company. (Certificate.) Filed August 15th, 1924. File No. 30,554.

In the Supreme Court of the United States

OCTOBER TERM, 1925

No. 156

AMERICAN STEEL FOUNDRIES

v.

THOMAS E. ROBERTSON, COMMISSIONER OF PATENTS,
and Simplex Electric Heating Company

*ON CERTIFICATE FROM THE UNITED STATES CIRCUIT
COURT OF APPEALS FOR THE SEVENTH CIRCUIT*

MEMORANDUM ON BEHALF OF THE COMMISSIONER OF PATENTS

This case presents a question of interpretation of Section 5 of the Trade-Mark Act of February 20, 1905. The Commissioner of Patents in rendering the decision under review in this proceeding was merely following the decisions of the Court of Appeals of the District of Columbia by which he was bound and appears to require no defense in this Court. Moreover, no interest of the Government is directly involved, and it does not appear to be incumbent upon the Attorney General to participate in a case of this character, which is, in

fact, a ~~contro~~ controversy between individuals, both of whom are represented by able counsel.

The Attorney General, therefore, submits the case without brief or argument on behalf of the Commissioner of Patents.

WILLIAM D. MITCHELL,
Solicitor General.

OCTOBER, 1925.

○

Office Supreme Court, U. S.

FILED

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WM. R. STANSBURY
CLERK

Supreme Court of the United States.

October Term, 1925.

No. 156.

AMERICAN STEEL FOUNDRIES

v.

**THOMAS E. ROBERTSON, COMMISSIONER
OF PATENTS, AND SIMPLEX ELECTRIC
HEATING COMPANY.**

On Certificate from the United States Circuit Court
of Appeals for the Seventh Circuit.

Brief for Simplex Electric Heating Company.

NATHAN HEARD,

Of Counsel for
Simplex Electric Heating Company.

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Supreme Court of the United States.

OCTOBER TERM, 1925.

No. 156.

AMERICAN STEEL FOUNDRIES

v.

THOMAS E. ROBERTSON, COMMISSIONER OF PATENTS,
AND SIMPLEX ELECTRIC HEATING COMPANY.

ON CERTIFICATE FROM THE UNITED STATES CIRCUIT COURT OF
APPEALS FOR THE SEVENTH CIRCUIT.

BRIEF FOR SIMPLEX ELECTRIC HEATING
COMPANY.

STATEMENT OF CASE.

The facts are briefly set forth in the certificate of the Court of Appeals. They have been fairly summarized by the plaintiff in its brief, although it might have been noted that the plaintiff's predecessor, Simplex Railway Appliance Company, had but a short life, being dissolved and merged into the plaintiff about July 26, 1902, or five years after its birth. So, too, it should be noted that in three cases carried to the Court of Appeals of the District

Note: Throughout this brief, as in the brief for American Steel Foundries, the American Steel Foundries will be referred to as the "plaintiff" and the Simplex Electric Heating Company as the "defendant." So also italics are ours unless otherwise stated.

of Columbia the mark "Simplex" was refused registration, viz.:

D. H. Burrell & Co. v. Simplex Electric Heating Co., 44 Apps. D.C. 452.

Simplex Electric Heating Co. v. Gold Car Heating & Lighting Co., 43 Apps. D.C. 28.

Simplex Electric Heating Co. v. Ramey Co., 46 Apps. D.C. 400.

But the facts are all immaterial to the single question here involved except (1) that the defendant or its predecessor has had as its corporate or firm name ever since prior to December 17, 1886, SIMPLEX Electrical Company or SIMPLEX Electric Heating Company, and (2) that the plaintiff's predecessor adopted the word SIMPLEX as its trade-mark August 1, 1897, and thereafter continued to use it on certain devices.

The present case involves no question of priority, although as a matter of certified fact the defendant used this word Simplex both as its name and as its trade-mark at least eleven and one half years before the plaintiff.

The present case is not concerned with the use by others of this word either as a name or as a trade-mark, although as a matter of certified fact the defendant's predecessor was the first to use it and the first to register it as a trade-mark and there is no evidence that any firm or corporation used it earlier as its name. The reference in the statement of facts and in plaintiff's brief to other registrations of this mark and to other corporations bearing this name must not mislead the Court into thinking that a single one of them was prior to the use of the mark and the name by this defendant, for such is not the certified fact.

THE STATUTE INVOLVED.

Section 5 of the Trade Mark Act of February 20, 1905, c. 592, 33 Stat. 725, has been several times amended, viz.: March 2, 1907, c. 2573, sec. 1, 34 Stat. 1251; February 18,

1911, c. 113, 36 Stat. 918; January 8, 1913, c. 7, 37 Stat. 649; March 19, 1920, c. 104, sec. 9, 41 Stat. 535; and June 7, 1924, c. 341, 43 Stat. 647.

As amended it reads, the part with which this case is particularly concerned being in italics:

“No mark by which the goods of the owner of the mark may be distinguished from other goods of the same class shall be refused registration as a trade-mark on account of the nature of such mark unless such mark—

“(a) Consists of or comprises immoral or scandalous matter.

“(b) Consists of or comprises the flag or coat of arms or other insignia of the United States or any simulation thereof, or of any State or municipality or of any foreign nation, or of any design or picture that has been or may hereafter be adopted by any fraternal society as its emblem, or of any name, distinguishing mark, character, emblem, colors, flag, or banner adopted by any institution, organization, club, or society which was incorporated in any State in the United States prior to the date of the adoption and use by the applicant: Provided, That said name, distinguishing mark, character, emblem, colors, flag, or banner was adopted and publicly used by said institution, organization, club, or society prior to the date of adoption and use by the applicant: Provided, That trade-marks which are identical with a registered or known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties, or which so nearly resemble a registered or known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties as to be likely to cause confusion or mistake in the mind of the public or to deceive pur-

chasers shall not be registered: *Provided, That no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual, or merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods, or merely a geographical name or term, shall be registered under the terms of this Act:* *Provided further, That no portrait of a living individual may be registered as a trade-mark except by the consent of such individual, evidenced by an instrument in writing, nor may the portrait of any deceased President of the United States be registered during the life of his widow, if any, except by the consent of the widow evidenced in such manner:* And provided further, That nothing herein shall prevent the registration of any mark used by the applicant or his predecessors, or by those from whom title to the mark is derived, in commerce with foreign nations or among the several States or with Indian tribes which was in actual and exclusive use as a trade-mark of the applicant, or his predecessors from whom he derived title, for ten years next preceding February twentieth, nineteen hundred and five: *Provided further, That nothing herein shall prevent the registration of a trade-mark otherwise registrable because of its being the name of the applicant or a portion thereof. And if any person or corporation shall have so registered a mark upon the ground of said use for ten years preceding February 20, 1905, as to certain articles or classes of articles to which said mark shall have been applied for said period, and shall have thereafter and subsequently extended his business so as to include other articles not manufactured by said applicant for ten years*

next preceding February 20, 1905, nothing herein shall prevent the registration of said trade-mark in the additional classes to which said new additional articles manufactured by said person or corporation shall apply, after said trade-mark has been used on said article in interstate or foreign commerce or with the Indian tribes for at least one year provided another person or corporation has not adopted and used previously to its adoption and use by the proposed registrant, and for more than one year such trade-mark or one so similar as to be likely to deceive in such additional class or classes."

QUESTIONS CERTIFIED.

While the Court below has certified three questions, the only real question before this Court is as to the interpretation of a single clause of section 5 of the Trade Mark Act.

"Provided, that no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual, . . . shall be registered under the terms of this Act . . ."

The Court of Appeals of the District of Columbia, a Court of high appellate jurisdiction charged with the final determination of all matters involving the issuance of certificates of registration of trade-marks, has for many years, in a long line of cases, consistently and uniformly construed this clause in accordance with its plain terms. No other Court has construed this clause otherwise. The District Court below has thus construed it, and the Circuit Court of Appeals for the Second Circuit has approved the same construction.

This construction was so long established that when the case here at bar came before the Court of Appeals of the District of Columbia it was decided in the following *per curiam* opinion:

“The Patent Office refused registration of the word ‘Simplex’ as a trademark for brake riggings, on the ground that it was merely the name of a corporation, and several corporations are referred to in the opinion of the Office denying the registration which have the word ‘Simplex’ as the predominating word in their respective names. The refusal is in accord with our decisions. *The Asbestone Co. v. The Carey Mfg. Co.*, 41 App. D. C. 507, *In Re United Drug Co.*, 44 App. D. C. 209; *Mansfield Tire & Rubber Co. v. Ford Motor Co.*, 44 App. D. C. 205; *Burrell v. Simplex Electric Heating Co.*, 44 App. D. C. 452; *Simplex Electric Heating Co. v. The Ramey Co.* 46 App. D. C. 400.

“For the reasons given by the Assistant Commissioner in his opinion, which appears in the record, where he reviews all the contentions of the applicant in the light of the adjudged cases, we affirm the decision of the Patent Office.”

The question, therefore, is: Shall this Court affirm or reverse a long line of consistent decisions of the Court of Appeals of the District of Columbia under which this section of the Trade Mark Act has been enforced and a multitude of trade-marks or alleged trade-marks refused registration?

POINTS OF LAW TO BE DISCUSSED.

1. Statutory prohibition of registry of names of corporations is largely arbitrary and indiscriminatory, and is subject only to four well-defined statutory exceptions:
 - A. In the very clause under consideration, by per-

mitting registry if the name is "written, printed, impressed, or woven in some particular or distinctive manner or in association with a portrait of the individual."

B. In the clause added to section 5, under consideration, by the Act of February 18, 1911, which permits registry if the mark is "otherwise registerable" and is "the name of the applicant or a portion thereof."

C. In the provisions of the so-called ten-year clause forming a part of this section 5 under consideration, and permitting registry of any mark "in actual and exclusive use as a trade mark" during the ten years from February 20, 1895, to February 20, 1905.

D. In the provisions of the recent Act of March 19, 1920, granting certain limited privileges of registration.

2. The effect of the word "merely" in the clause under consideration.
3. The relation of a proviso to the enacting clause.
4. Federal trade-mark registration is purely statutory and within the power of Congress to grant or withhold.
5. The fundamental principles of trade-mark legislation have throughout been treated arbitrarily and inconsistently by Congress.
6. The details of trade-mark legislation have throughout been treated arbitrarily and inconsistently by Congress.
7. The history of the trade-mark legislation, the judicial construction placed upon section 5 of the Act of 1905, and the amendatory and original Acts to and since the Act of 1905 establish the clear intent of Congress to enact and maintain in force the clause in controversy in its ordinary, natural meaning, and thus to enforce the construction given this clause repeatedly by the Court of Appeals of the District of Columbia.
8. The Act of March 19, 1920, was for the very purpose of relieving cases like that of plaintiff.

9. *Stare decisis.*

10. The intention of Congress is only pertinent for consideration when the meaning of a statute is ambiguous.
11. Congress is presumed to have legislated in re-enacting or amending a statute with knowledge of, and acquiescence in, prior judicial construction.

ARGUMENT.

1. The Statutory Prohibition of Registry of Names of Corporations is Largely Arbitrary and Indiscriminatory, and is Subject only to Four Well-Defined Statutory Exceptions.

The clause of section 5 of the Trade Mark Act under consideration has to do with a prohibition of the registry of names, descriptive words, and geographical terms, all of which are catalogued together.

It is an interesting fact, based on some peculiar psychology of the business man's mind, that a vast number, if not the vast majority, of the so-called trade-marks in common use in this country are not in fact technical or common-law trade-marks, but depend for their protection upon the acquisition of secondary meanings and other broader principles of the law of unfair competition. Such is the case with the "Waltham" Watch, the "Boston" Garter, "Allcocks" Porous Plaster, "Hood's" Sarsaparilla, the "Gillette" Razor, "Faber's" Pencils, "Rubberset" Brushes, "Pocahontas" Coal, to select at random from an interminable list.

It is a matter of common knowledge that the tendency is constant and frequent to adopt and use for trade-mark purposes (1) a geographical term, (2) a descriptive word, or (3) an individual or proper name, to all of which the objections are obvious. Such words are essentially incapable of exclusive use.

Congress has recognized this principle and has invariably, in one way or another, refused registration to such

marks, qualifying its refusal in special cases, such, for example, as the name of the applicant or the exclusive user of such a mark prior to February 20, 1895.

The section under consideration has to do with this third type of marks, that is, with an individual, firm, or corporate name. Litigation over these proper-name marks has been endless and bitter.

The great objection to the name of an individual becoming a trade-mark is that in its very nature it is generic and cannot be exclusive. As this Court said with respect to the name "Davids," the name of the petitioner in *Thaddeus Davids Co. v. Courtland I. Davids et al.*, 233 U.S. 461:

"As the mark consisted of an ordinary surname, it was not the subject of exclusive appropriation as a common-law trade mark (*Brown Chemical Co. v. Meyer*, 139 U.S. 540, 542, 35 L. ed. 247, 248, 11 Sup. Ct. Rep. 625; *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U.S. 118, 134, 135, 49 L. ed. 972, 984, 25 Sup. Ct. Rep. 609); and the complainant derived its right from the fourth proviso of section 5" (commonly known as the ten-year clause).

Again this Court said in *Howe Scale Co. v. Wyckoff, Seamans & Benedict*, 198 U.S. 118:

"and as the name 'Remington' is an ordinary family surname, it was manifestly incapable of exclusive appropriation as a valid trade mark, and its registration as such could not in itself give it validity."

The prohibition of the registration of the name of a person, firm, corporation, or association—that is, a personal name—is grounded on the same fundamental reason as the prohibition of the registration of a geographical term. That is, it rests upon the essential character of the mark, **and has nothing to do with the character of the goods.** Congress has realized and enacted that such

marks are not to be given the advantages of registration, but are to be left to the protection afforded at common law and usually to the protection afforded by the law of unfair competition.

Nor is it unusual—in fact it is quite common—for the name of a corporation as such, quite independently of the business, to be protected by law.

Almost all the states, in their Corporation Acts, have provisions preventing the adoption by one corporation of a name the same as, or similar to, that of another corporation, and this is entirely independent of the business carried on by the corporation. It is not the *business*, but the *name*, which these statutes aim to protect. For example, in Massachusetts, where the defendant is domiciled, section 9 of chapter 155, General Laws of Massachusetts, provides:

“A corporation organized under general laws may assume any name which, in the judgment of the commissioner, indicates that it is a corporation; but it shall not assume the name of another corporation established under the laws of the commonwealth, or of a corporation, firm, association, or person carrying on business in the commonwealth, at the time of such organization or within three years prior thereto, or assume a name so similar thereto as to be likely to be mistaken for it, except with the written consent of said existing corporation, firm or association or of such person previously filed with the commissioner.”

Again, for example, in Illinois, where the plaintiff is domiciled, the General Corporation Act, in section 24, provides:

“No corporation shall be organized or admitted to do business in this State with a name the same as, or similar to, that of any other corporation then existing under the laws of this State or authorized to do business in this State.

"No corporation shall, by certificate of amendment to its Articles of Incorporation, assume a name the same as or similar to that of any other corporation then existing under the laws of this State or authorized to do business in this State."

Not only is such a provision common in state legislation, but it appears in Federal legislation, as, for example, in "An Act to Establish a Code of Law for the District of Columbia, approved March 3, 1901, sec. 604, as amended:

"Name of Corporation. The provisions of this chapter shall not extend or apply to any corporation, association or individual who shall in the certificate filed with the recorder of deeds use or specify a name or style the same as that of any other incorporated body in the District."

It is natural and logical, therefore, that Congress, in following out this principle of protection of a corporate name, should have decided by this section 5 of the Trade Mark Act to refuse the privileges of trade-mark registration to a mark which consists merely in the name of a corporation.

The same principles affecting trade-mark character and registration are largely true of the name of either persons, firms, corporations, or associations. But there is this difference: that a corporation, or other artificial person, may adopt either (*a*) the name of an individual, as, for example, "Remington," or (*b*) an entirely arbitrary name, as, for example, "Simplex." The former cannot be, the latter may be, a valid trade-mark.

But Congress, neither in the section of the Trade Mark Act in question, nor in any other section, has made or attempted to make this distinction. *The names of persons are always treated on precisely the same basis as the names of corporations:*

"no mark which consists merely in the name of an in-

dividual, firm, corporation, or association . . . shall be registered."

This is forcefully brought out in the decision of Assistant Commissioner Fenning in *United Cigar Stores Co. v. Miller Bros. Star Shoe Co.*, 15 T.M. Rep. 143:

"Applicant objects that that case [*Eversharp Pencil Co. v. American Co.*, 297 Fed. 894] should not control here, since it alleges that 'Eversharp' the word there involved, is a coined word and not one in common use, whereas 'United' here involved, is not a coined word, but one in the dictionaries and in common use for many purposes. I am unable, however, to see that that is a distinction of merit, since the purpose of the statute is to protect the name. An individual may have a name which is in the dictionary and in common use, such as 'Horn' or 'Smith', but that name will be refused registration. In the same way the name of a corporation must be refused registration, irrespective of whether it consists of a coined name or a name in common use, and there are many cases where such a name has been refused registration.

"Applicant points out that 'United' is not merely a dictionary word and in common use for miscellaneous purposes, but that it frequently forms a portion of a corporate name and that therefore there is no logic in saying that it is the name of opposer. A sufficient answer to that is the suggestion that the word 'Smith' stands on about the same footing. It is a dictionary word, it is in common use, and it is the name of a great number of people. Nevertheless it must be refused registration just as if it were an unusual name peculiar to a single individual."

The only exceptions which Congress has made to this prohibition of the registry of such marks are—

A. In the very clause under consideration, by permitting registry if the name is "written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual."

B. In the clause added to section 5, under consideration, by the Act of February 18, 1911, which permits registry if the mark is "otherwise registerable" and is "the name of the applicant or a portion thereof."

C. In the provisions of the so-called ten-year clause forming a part of this section 5 under consideration, and permitting registry of any mark "in actual and exclusive use as a trade mark" during the ten years from February 20, 1895, to February 20, 1905.

D. In the provisions of the recent Act of March 19, 1920, granting certain limited privileges of registration.

In making these the sole exceptions Congress is well within its powers because, as we have pointed out, registration at best is but a *privilege* granted by Congress and it is within the power of Congress to grant this privilege to such extent and to such classes of marks and to such persons as it may please.

2. The Effect of the Word "Merely" in the Clause under Consideration.

The plaintiff has much to say with reference to the word "merely," employed in the clause of the Act under consideration, which strikes us as without force, if not as a mere quibble.

In this age and in this country no person has but a single word in his name and **no corporation has but a single word in its name.**

So also it is most ordinary and common for several per-

sons to bear the same name throughout. This is true not only of the John Smiths, but of the most unusual names.

So again it is most ordinary and common for corporations to bear the same name when forty-eight different states are granting charters by the thousands.

The plaintiff's name is an exception to the general rule, frequently embodied in the statutes, that the name of a corporation shall include some word to show that it is a corporation, such as "Company" or "Incorporated." Usually or frequently the corporate name contains some salient or distinguishing word, such as "American," as in the case of plaintiff, or "Simplex," as in the name of the defendant, and one or more words indicating the general nature of the business, such as "Steel Foundries," as in the case of plaintiff, and "Electric Heating," as in the case of the defendant.

No serious contention can be made that, in the long line of Trade Mark Acts, including the one now in force, which prohibit the registration of a mark consisting "merely in the name of a . . . corporation," the prohibited mark must include each and every word in the corporate name, and no such construction has ever been placed upon the Act.

The cases to which we refer hereafter, at pages 27-33, are sufficient illustrations; for example: "Adriance" was held *merely* the name of Adriance, Clapp & Company; "Burt" *merely* the name of Edwin C. Burt Company; "Old Lexington Club" *merely* the name of Old Lexington Club Distilling Company; "Champion" *merely* the name of Champion Safety Lock Company; "Success" *merely* the name of The Success Company; "Ford" *merely* the name of Ford Motor Company; "Beech-Nut" *merely* the name of Beech-Nut Packing Company; "Eversharp" *merely* the name of Eversharp Pencil Company, etc.

The Assistant Commissioner in the recent case of *United Cigar Stores Co. v. Miller Bros. Star Shoe Co.*, 15 T.M. Rep. 143, states this proposition so clearly that we quote:

“Applicant points out that opposer’s name is United Cigar Stores Company of America, and urges that ‘United’ is not merely the name of opposer, but is only a part of its name. The purpose of the section of the Statute under consideration was to place a corporation, with respect to its name, in the same position as the common law placed an individual. Under the common law no one might obtain trade mark rights in the name of the individual. That does not mean that in order to contravene this principle one must attempt to adopt the entire name of an individual. The name ‘Smith’ could not be registered, although no individual’s name is merely Smith. The name might be John Smith, or William Henry Thompson Smith. In either instance, the law looked upon ‘Smith’ as merely the name of the individual. In the same way the law looks upon the predominating feature of a corporation’s name as merely its name of which registration is inhibited. The case of *National Cigar Stands Company v. Frishmuth Bro. & Co., Inc.*, 54 App. D.C. 275; 297 Fed. 348, establishes the principle. There, the Court held ‘National’ the predominating feature of the National Cigar Stands Co., so we must hold ‘United’ the predominating feature of the United Cigar Stores Company of America.”

It is difficult to follow the plaintiff’s argument as to the meaning of the word “merely” in this section. In the proviso of section 5, with which this case is concerned, this word is used three times. In every case it is obviously an adverb modifying the verb “consists.” It means that the mark shall not be registered if it *merely consists* of (1) the name of an individual, firm, corporation, or association; (2) words or devices which are descriptive, etc.; (3) a geographical name or term.

The plaintiff in effect seeks to make the word “merely”

in this section an adjective modifying the word "name," so as to make the section mean that the trade-mark shall not be registered if it consists of the entire, whole, complete name. We submit that this is not only ungrammatical, but, for the reasons which we have already pointed out, without force. In the case of the name, with which we are here concerned, the section contains its own definition as to the meaning of the word "merely," that is—

"not written, printed, impressed or woven in some particular or distinctive manner or in association with a portrait of the individual."

The construction thus given by the Act itself to the term "merely" is the construction which has uniformly been given to it by the Patent Office and the Courts. In the recent case of *Dunlap & Co. v. The Jackson and Gutman*, 13 T.M. Rep. 66, involving the word "Dunlap" enclosed by a simple line border, Assistant Commissioner Fenning said:

"To say that by placing a border of simple lines about a name removes it from being *merely a name* seems unreasonable bending of common sense. To be sure, there may be an elaborate border or accompanying devices with the name which make the mark something more than *merely the name*, but the present case clearly is not such an instance."

But this Court itself has, we think, made this distinction clear and nullified plaintiff's argument in the case of *Estate of Beckwith v. Com. of Patents*, 252 U.S. 538, 544, in the very quotation given on page 32 of plaintiff's brief:

"Since the proviso prohibits the registration *not of merely descriptive words*, but of a trade-mark 'which consists . . . merely' [only] of such words . . . the distinction is substantial and plain . . ."

The amendment by the Act of February 18, 1911, is furthermore a distinct ratification by Congress of this construction of the clause in question. It will be seen from the legislative history hereafter that the object Congress had in mind was by amendment to prevent the prohibitory clause in question from denying registration to the applicant's own name, as had been done in *Ex parte Champion Safety Lock Company*, 143 O.G. 1109, and *In re The Success Company*, 34 App. D.C. 443, and other cases.

The use of the words "or a portion thereof" in the amendatory Act, which reads:

"That nothing herein shall prevent the registration of a trade mark otherwise registrable because of its being the name of the applicant or a portion thereof"—

shows that the Act, in the clause in question—

"consists merely in the name of a person, firm, corporation or association,"—

prevented, in the opinion of Congress, the registration of a word which formed a portion only of a corporate name. Nowhere else in the Act, except in the clause in question, was there anything requiring this language. It was a plain statement by Congress that "merely in the name . . . of a corporation" in the clause in question prevented registration of the entire corporate name or a portion thereof, whether the corporate name was that of the applicant or of any other corporation.

The plaintiff in its brief before this Court urges that it is fallacious to argue that Congress thus ratified the interpretation of the section in question in accordance with its plain language because the instant case did not reach the Court of Appeals of the District of Columbia until several years later. But the plaintiff overlooks the decision of that Court in *In re The Success Co.*, 34 App. D.C. 443, and the

specific reference thereto in the report of the Committee on Patents, quoted herein on pages 30-31, and which resulted in the amendment.

3. The Relation of a Proviso to the Enacting Clause.

We have read and re-read the argument of the plaintiff's brief based upon the relation of a proviso to the enacting clause of a statute. The argument has a specious sound, but it is not carried to any specific conclusion, nor is it carried anywhere except to the very general conclusion that the statute "should be so construed as to entitle plaintiff to the registration of its trade-mark." It is difficult to answer this class of argument.

If this argument simply means that in the case of a proviso—

"it should be construed together with the enacting clause, with a view to giving effect to each and to carrying out the intention of the legislature as manifested in the entire Act"—

to use an italicized quotation from plaintiff's brief, there can be no dispute. Such a proposition is well-nigh obvious.

But if the argument is intended to mean that into the proviso, with which this case is entirely concerned, there must be read references to "the same class of goods," then it leads to an absurdity. Let us not generalize about a broad legal proposition to which no one can offer objection, but come down to something specific. Can there be any other alternative to this argument except that the proviso, according to the plaintiff, should read substantially thus, with the words italicized inserted:

"Provided, that no mark which consists merely in the name of an individual, firm, corporation or association *dealing in goods of the same class* not written, printed, impressed or woven in some particular or dis-

inctive manner, or in association with a portrait of the individual, or merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods, or merely a geographical name or term *of a locality wherein are manufactured or sold goods of the same class*, shall be registered under the terms of this Act”?

The proviso as enacted relates to three different classes of marks: (1) names of individuals, corporations, etc.; (2) descriptive words or devices; (3) geographical names or terms. Now it is quite obvious that the qualification as to the goods is necessary with the second class in order to give it any meaning at all. A word cannot be descriptive without being descriptive of something. Not so with the name of a corporation or a geographical term; in these two classes the restriction is essentially independent of the goods.

If this were not so and the proviso read as above set forth, it would mean that the Act grants the right to registration of the name of an individual providing only that his name is not already used by a dealer in the same class of goods, and it would mean that any geographical term could be registered provided that it was not the name of a locality where the goods were already produced or sold. Such a construction of the Act is not only repugnant to the whole intent of the Act and the remaining provisos, but it is also directly at variance with the decisions of this Court.

That it is a general and well-established rule of the common law that the mere name of an individual cannot become a valid technical trade-mark is settled by this Court in—

Scale Co. v. Wickoff, 198 U.S. 118.

Brown Chemical Co. v. Myer, 139 U.S. 540.

Merriam Co. v. Syndicate Publishing Co., 237 U.S. 618, 622.

That it is a general and well-established rule that a geographical word or term used to designate a locality, a section of a country, or a country cannot be monopolized as a trade-mark at common law was decided by this Court in—

Elgin Watch Co. v. Illinois Watch Co., 179 U.S. 665.

Saxlehner v. Eisner & Co., 179 U.S. 19.

Castner v. Coffman, 178 U.S. 168.

Columbia Mill Co. v. Alcorn, 150 U.S. 460.

Canal Co. v. Clark, 13 Wall. 311.

We submit that the proviso means just what it says on its face, and that the prohibition is against the registration of individual or corporate names and of geographical names or terms *as such*, and that the only exceptions are the four exceptions which we have named, three of which are set forth in this Act as amended and the other of which is the Act of March 19, 1920.

4. Federal Trade-Mark Registration is Purely Statutory and within the Power of Congress to Grant or Withhold.

The fundamental difficulty, as we view it, with the plaintiff's contention in this case is that it refuses to recognize the essential nature of trade-mark registration. No serious discussion of the question here involved can be had until this is thoroughly in mind.

Registration at best is but a **privilege** granted by Congress, and it is within the power of Congress to grant it to such extent and to such classes of marks or persons as it may please. If property rights exist in a mark, that fact alone does not entitle the owner of such rights to registration of the mark. **The right to register is purely statutory and within the power of Congress, for any reason whatever, to grant or to withhold.**

Not only is the matter entirely governed by statute, but it is very substantially limited by the Constitution. Federal registration can only extend to trade-marks used in interstate and foreign commerce. Over the vast number of valuable trade-marks used in local business within a state, Congress has no control whatever. The plaintiff, here, fails to appreciate the limited character of Federal registration. It seems to think that the mere existence of a common-law trade-mark right *ipso facto* gives the right to Federal registration. It is interesting in this connection to note that *the statement of facts certified nowhere alleges that the plaintiff or its predecessor ever used the mark SIMPLEX in interstate or foreign commerce.* We make no point of this failure to state an essential prerequisite to registration other than as a proof of plaintiff's attitude toward the whole case. The argument seems to be that it is an equitable matter and that all that is necessary is to show some common-law right, whereas it is a legal matter and determined entirely by statute enacted under a limited authority.

All provisions relating to registration of trade-marks are wholly statutory and may be modified or entirely withdrawn at any time (*Stamatopoulos v. Stephano Bros.*, 41 App. D.C. 590). **There are no general principles of substantive law applicable, but all questions must be determined according to the terms and limitations of the statutes.**

Registration confers no title, and there is no vested right, or vested right of property in trade-mark registrations, and registration confers no new right of title.

Trade-Mark Cases, 100 U.S. 82, 93.

United Drug Co. v. Rectanus Co., 248 U.S. 90.

Hanover Star Milling Co. v. Metcalf, 240 U.S. 403.

Andrew Jergens Co. v. Woodbury, Inc., 273 Fed. 953, 965.

Ewing, Commissioner, v. Standard Oil Co., 42 App. D.C. 321.

5. The Fundamental Principles of Trade-Mark Legislation have Throughout been Treated Arbitrarily and Inconsistently by Congress.

The first Trade Mark Act, of 1870, was passed by Congress on the theory that it had power to legislate for the registration of trade-marks under the 8th clause of section 8 of the first article of the Constitution, authorizing Congress—

“to promote the progress of science and the useful arts, by securing for limited time to authors and inventors the exclusive right to their respective writings and discoveries.”

This Court, in the *Trade-Mark Cases*, 100 U.S. 82, demonstrated the fundamental fallacy of this theory, but it is interesting to note that Congress still clings to permitting issuance of trade-mark registrations only “for limited times,” because it started this practice under the fundamental misunderstanding that the period of registration must be limited in the same way as the monopoly conferred by patents for inventions must be limited.

The next main Act of 1881 was passed by Congress under the theory that its power was to be found in the treaty-making power conferred by section 2 of article 2 of the Constitution. Consequently, for over twenty-five years the privileges of registration were absurdly restricted to commerce with the Indian Tribes and with foreign nations. Thus, during a period when the commerce of this country with the Indian Tribes and with foreign nations was negligible as compared with the vast interstate and intrastate commerce, Congress provided no means whatever for registration of trade-marks employed in the only field of any consequence in this country. The constitutionality of this Act was never determined by the Supreme Court.

The present Act of 1905 was passed by Congress on the theory that its powers were to be found in the famous

clause of section 8 of article 1 of the Constitution giving Congress power over interstate commerce.

The history of the three main Trade Mark Acts thus shows that Congress has never known where it stood even as to the source of its power to pass any Act at all.

6. The Details of Trade-Mark Legislation have Throughout been Treated Arbitrarily and Inconsistently by Congress.

So in the details of the legislation the same uncertainty and lack of consistency appears throughout. Congress has freely exercised in a purely arbitrary manner its undoubted right, assuming its basic powers in this field to be constitutional, to confer or deny the privileges of registration.

This arbitrary exercise of power, sometimes for reasons which are apparent and sometimes for reasons which are incomprehensible, runs throughout the entire legislation. Take, for example, the so-called "ten-year clause" found near the end of section 5 of the present Act. By this clause, as held by the Supreme Court in *Thaddeus Davids Co. v. Davids*, 233 U.S. 461, Congress admitted to registry marks which were not common-law or technical trade-marks, but which had been in "actual and exclusive use" as trade-marks for ten years next preceding the passage of the Act. This arbitrary registration has continued to the present day, affecting only those who have used such marks for a continuous ten-year period beginning February 20, 1895. By section 9 of the Act of March 19, 1920, the privileges of this relatively small class have been still further extended. It seems obvious that, if there was anything fair in 1905 in conferring such a privilege upon those who had used this class of marks exclusively for ten years, the same privilege should be granted at any time to any one who at the time of application had used such a mark exclusively for ten years.

As an instance of the arbitrary exercise of power, for which there is an obvious reason, not, however, concerned

with trade or commerce, sections 4 and 8 of the Act of January 5, 1905, are examples. Therein, for the purpose of protecting the American National Red Cross, the use of its symbol was prohibited as a trade-mark, but any person already using the symbol at the time of the passage of the Act was permitted to continue its use.

We have called attention to this arbitrary exercise of its powers by Congress, sometimes with some apparent reason and sometimes without, because we believe it underlies a consideration of the entire Trade Mark Act and the particular section here in controversy.

7. The History of the Trade-Mark Legislation, the Judicial Construction Placed upon Section 5 of the Act of 1905, and the Amendatory and Original Acts to and since the Act of 1905 Establish the Clear Intent of Congress to Enact and Maintain in Force the Clause in Controversy in its Ordinary, Natural Meaning, and Thus to Enforce the Construction Given This Clause Repeatedly by the Court of Appeals of the District of Columbia.

The purpose and intent of Congress is best ascertained by briefly reviewing what it has actually done in legislating upon the registration of these name marks with which this controversy is concerned.

The Act of 1870. The first Trade Mark Act passed by Congress, namely, the Act of 1870, which was entitled: "An Act to Revise and Consolidate and Amend the Statutes Relating to Patents and Copyrights," provided, in section 79:

"The Commissioner of Patents shall not receive and record (1) any proposed trademark which is not and cannot become a lawful trademark, (2) or which is merely the name of a person, firm, or corporation only, unaccompanied by a mark sufficient to distinguish it from the same name where used by other persons, (3) or which is identical with the trademark appropriated

to the same class of merchandise and belonging to a different owner and already registered or received for registration, (4) or which so nearly resembles such last mentioned trademark as to be likely to deceive the public. Provided, that this section shall not prevent the registry of (5) any lawful trademark rightfully used at the time of the passage of this Act."

It is to be noted that geographical terms and descriptive words were not specifically mentioned, but were prohibited registry under clause (1) as marks which were not and could not become lawful trade-marks.

It is to be noted further that the language prohibiting registry for person and corporate names is substantially the same as in section 5 of the present Act.

Under clause (1) of this section 79 geographical terms and descriptive words were refused registration in a long line of cases by the Commissioner. See Hopkins on Trade-marks, Trade Names, and Unfair Competition, p. 506, note 25.

Under this section, clause (2), the names of persons were refused registration. For example, in *In re Consolidated Fruit Jar Co.*, 14 O.G. 279, the Commissioner refused registration of the name "Mason" for the well-known fruit jar, first, because it was clearly prohibited by the statute as "the name merely of a person, firm or corporation, unaccompanied by a mark sufficient to distinguish it," etc., and second, because, although it had been in use by the applicant long prior to the passage of the Act, it did not come within the proviso permitting registration to "any lawful trademark rightly used at the time of the passage of this Act," since it was the well-known and common designation of the jar, upon which the patent had expired. It is to be noted in this case that this name "Mason" was not the name of the applicant, Consolidated Fruit Jar Company, but the name of the inventor of the jar. This decision was

on December 20, 1878, and while, a little later on, just before the passage of the Act of 1881, the Commissioner by main strength read into the Act a limitation to the prohibition of the registration of the name of a person, firm, or corporation to that of the applicant, this was not the construction of the Act during most of the period it was in force. In the October term of 1879 the Supreme Court, in *Trade Mark Cases*, 100 U.S. 82, held this Act unconstitutional, and no judicial construction was ever given by the Courts to the clause in question.

The Act of 1881 was passed by Congress after the decision of the Supreme Court in 100 U.S. 82. The House Committee on the Judiciary reported on a bill providing for the registration of trade-marks in foreign and interstate commerce under the authority of the commerce clause of article 1, section 8, of the Constitution, and also upon a proposed amendment to the Constitution giving the Congress "power to grant, protect, and regulate the exclusive right to adopt and use trade-marks." In this report No. 561, 46th Congress, 2d Session, the committee held that Congress had no power to pass such a bill under section 8, article 1, of the Constitution, and that trade-marks were "mere contracts of indemnity against loss by fraud," and that congressional control did not extend to them any more than to policies of insurance, held to be without the power of Congress to regulate in *Paul v. Virginia*, 8 Wall. 168. The report also was unfavorable to the passage of an amendment to the Constitution. The report concluded by recommending the passage of a bill confined to commerce with the Indian Tribes and foreign nations and based upon the treaty-making power, conferred by section 2 of article 2 of the Constitution. An amended or substitute bill finally became the Act of 1881.

Thus Congress deliberately decided to refuse registration to all legal bona fide technical trade-marks used only in interstate commerce. Such trade-marks constituted the

bulk of those in use, and the Act was thereby rendered of little value to the commercial interests of this country. This condition continued for over twenty-five years, but no one for a moment questions the power of Congress, if it had any power at all, thus to restrict registration, nor the fact that it did.

This Act of 1881, in section 3, provided:

“But no alleged trademark shall be registered unless . . . nor which is merely the name of the applicant.”

It is interesting to note that in this respect the Act of 1881 specifically *refused* registration to the name of the applicant, while in the existing Act the name of the applicant is specifically *permitted* registration.

The Act of 1881 originally contained no provision, as did the Act of 1870, permitting registration of any lawful trade-mark rightfully used by the applicant at the time of the passage of the Act, but this omission was cured by the amendatory Act of August 4, 1882.

This prohibition in the Act of 1881 as to the registration of a mark “which is merely the name of the applicant” was strictly enforced by the Commissioner of Patents.

See *In re Fairchild*, 21 O.G. 789, wherein the Commissioner refused to register “Fairchild,” although it had been registered under the Act of 1870 and had been in use as a trade-mark for over twenty years.

Ex parte Creedmore Cartridge Co., 56 O.G. 1332, wherein registration was refused the name of the applicant.

Ex parte Adriance, Clapp & Co., 20 O.G. 1820, refusing to register the word “Adriance.”

Ex parte Buffalo Pitts Co., 89 O.G. 2069, refusing to register “Buffalo Pitts,” because—

“The word ‘Pitts’ is an ordinary surname and a salient feature of *applicant’s name*, while the word ‘Buffalo’ is a geographical term and also a part of

applicant's name. That ordinary surnames and geographically descriptive words are not registerable is now too well settled to admit of any controversy."

Ex parte Edwin C. Burt Co., 96 O.G. 1430, wherein the applicant company and its predecessors had used the name "Burt" since 1860. In his decision refusing registry the Commissioner said:

"A technical trade mark is essentially a vested right. A proper name is not a technical trade mark for the very reason that in the nature of things it never was and never can be a vested right. It belongs equally to all persons bearing that name. This doctrine was as well settled prior to 1881 as it is at the present time."

The construction of the Acts of 1870 and 1881 as to this particular matter has been settled by this Court in accordance with our contentions in the case of *G. & C. Merriam Co. v. Syndicate Publishing Co.*, 237 U.S. 618, 622, wherein this Court was considering the legality of registrations of the name "Webster" under the Act of 1881. This Court said:

"In the latter act (of 1905) there is a recognition of the right to obtain a trade mark upon a proper name, when the same has been in use for ten years . . . the Act of 1905 gave the right to the use of ordinary surnames as a trade mark, **which right did not exist under the prior legislation.**

"**The Act of 1881 expressly denied the right of an applicant to obtain a trade mark upon his own name, and gave no recognition to the right to a trade mark in a proper name, nor did it confer authority to register such name and thereby acquire a right not recognized at common law.**"

The Act of 1905, now in force, as already noted, in section 5 under consideration, provides:

“that no mark which consists merely in the name of an individual, firm, corporation, or association, . . . shall be registered.”

At the time of the passage of the Act the only exceptions to this definite prohibition were two of those four noted above, namely:

A. In the very phrase under consideration, by permitting registry if the name is “written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual.”

C. In the provisions of the so-called ten-year clause forming a part of this section 5 under consideration and permitting registry of any mark “in actual and exclusive use as a trademark” during the ten years from February 20, 1895, to February 20, 1905.

With the law thus, the question of the right to register the salient feature of a corporate name arose in a case where the name was that of the applicant. The mark was the term “Old Lexington Club” for whisky, and the applicant’s name was Old Lexington Club Distilling Company. In this case the Court of Appeals of the District of Columbia said:

“There are several provisions of the statute, which, we think, forbid the registration of the mark, in question. Section 5 of the act of Congress of February 20, 1905, among other things (quoting the section under consideration).

“It will be observed that the trade-name here sought to be registered is almost a reproduction of the corporate name of the applicant. In fact, it seems prob-

able, from an examination of the record in this case, that the corporate name of the appellee company was derived from the mark sought to be registered, since 'Old Lexington Club' was a name applied to liquor distilled and sold by the predecessors in business of appellee" (*Kentucky Distilleries & Warehouse Co. v. Old Lexington Club Distillery Co.*, 31 Apps. D.C. 223).

The decision of the Court of Appeals in the Old Lexington Club case was followed by the Commissioner in a number of cases; for example, *Ex parte Champion Safety Lock Co.*, 143 O.G. 1109, wherein the Commissioner refused, on the authority of that case, to register the mark "Champion," on the ground that it was merely the name of the applicant corporation.

The same question again came before the Court of Appeals in the case of *In re The Success Company*, 34 Apps. D.C. 443, wherein the mark "Success," for which registration was sought, was held by the Court to be the "dominant feature of the corporate name." In construing the statute the Court said:

"The word 'merely', as used in the statute, was clearly intended to prevent the registration by a corporation of its own name, whether the name be the subject of a technical trademark or not. We must take the statute as we find it and attempt to enforce its plain provisions."

These decisions finally led to **the amendatory Act of February 18, 1911, c. 113, 36 Stat. 918**. Congress had the matter directly called to its attention, as appears from the report of the Committee on Patents to the House and Senate (see House Report No. 1097, 61st Congress, 2d Session), wherein it was stated:

"The Court of Appeals of the District of Columbia has held that said section 5 as the same now stands

has the effect 'to prevent the registration by a corporation of its own name, *whether that name be the subject of a technical trademark or not*'."

In amending the Act Congress made no attempt, and indicated no purpose, to limit the prohibition of the statute preventing the registration of the name of a person, firm, corporation, or association other than with respect to the applicant. The amendment, which is now embodied in this section, reads:

"Provided further, that nothing herein shall prevent the registration of a trademark otherwise registrable because of its being the name of the applicant or a portion thereof."

The purpose of Congress in the Trade Mark Act to exercise its power arbitrarily and without regard to any rules of technical trade-mark law was again evidenced by the amendment to this section of January 8, 1913, c. 7, 37 Stat. 649. This arose through the attempt of John M. Given, Inc., to register as a trade-mark for hosiery the word "Wingedfoot" and the conventional representation of the winged foot of Mercury. This was the well-known emblem of the New York Athletic Club, which was in no sense a commercial or trading organization, but which opposed registration. While the opposition was pending, this amendment was speedily passed by Congress, and under the provisions of the amendment registration was refused. See *N.Y. Athletic Club v. John M. Given, Inc.*, 4 T.M. Rep. 172. This amendment prevents registration—

"of any name, distinguishing mark, character, emblem, colors, flag, or banner adopted by any institution, organization, club, or society which was incorporated in any state in the United States prior to the date of adoption and use by the applicant," etc.

It was the object of Congress by this amendment to protect the emblem, flag, or other distinguishing mark of any duly incorporated institution, organization, club, or society just at it was to protect any corporate name in the section under consideration. No limitations were imposed other than, in the particular case of an institution, organization, club, or society, that it must have been incorporated prior to the date of adoption and use by the applicant. This amendment was not unlike the prior Act of 1906, protecting the mark of the American Red Cross.

Early in 1914 the case of *Asbestone Co. v. The Carey Mfg. Co.*, 41 App. D.C. 507, came before the Court of Appeals for the District of Columbia, the final appellate authority provided by section 9 of the Act. Therein the Carey Manufacturing Company sought registration for the mark "Asbestone" for hard asbestos boards. The Asbestone Company opposed registration under the provisions of the clause of section 5 in controversy, **stating no trade-mark use on its part of the word "Asbestone," but relying upon its name.**

The matter came up on a motion to dismiss, in the nature of a demurrer, so that the question was squarely raised, and the Court refused registration, saying:

"The Statute takes from the realm of possible registration the name of an individual, firm, corporation or association, except under conditions not existing in this case. This limitation is founded upon sound principles of public policy."

"It is not the business which the Statute in this particular instance aims to protect, it is the corporate name, and it is sufficient that possible damage may be incurred from invading the property right which the corporation possesses in its name."

Thus the Court followed the plain language of the Act and refused to register as a trade-mark to the Carey Manufacturing Company the word "Asbestone," which was the

prominent feature of the name of another corporation, i.e., the Asbestone Company.

The same point again arose in the case of *In re United Drug Co.*, 44 App. D.C. 209, wherein the Court sustained the Commissioner in refusing registration of the mark "Stork" as a trade-mark for rubber nipples, applied for by United Drug Company, in view of the corporate name "The Stork Company."

Later followed the case of *Mansfield Tire & Rubber Co. v. Ford Motor Co.*, 44 App. D.C. 205, where the Court affirmed the Commissioner in refusing registration of the word "Ford" solely upon this ground, and the cases of *D. H. Burrell & Co. v. Simplex Electric Heating Co.*, 44 App. D.C. 452; *Simplex Electric Heating Co. v. Ramey Co.*, 46 App. D.C. 400; and *In re American Steel Foundries*, 253 Fed. 160; 49 App. D.C. 16, wherein the Court refused registration to various corporations of the mark "Simplex" because of the present defendant's corporate name, "Simplex Electric Heating Company"; and *Beechnut Cereal Co. v. Beech-Nut Packing Co.*, 273 Fed. 367; 51 App. D.C. 5, wherein the word "Beech-Nut" was refused registration as being a substantive part of the corporation name of the appellee; in *Edward T. Tinker v. Patterson Co.*, 287 Fed. 1014; 53 App. D.C. 37, wherein the word "Tinker" was refused registration as being the surname of the appellant; in *Howard Co. v. Baldwin Co.*, 48 App. D.C. 437, "Howard" was refused registration; in *In re Landis Machine Co.*, 298 Fed. 1019; 54 App. D.C. 404, "Landis" was refused registration; in *Bernet, Craft & Kauffman Co. v. Pussy Willow Co., Inc.*, 2 Fed. (2d) 1013, "Pussy Willow" was refused registration; and in *Eversharp Pencil Co. v. American Safety Razor Co.*, 297 Fed. 894; 54 App. D.C. 315, "Eversharp" was refused registration, for the same reason.

Thus for many years the Court of Appeals of the District of Columbia, charged by the Act of 1905 itself with final appellate authority, has uniformly, repeatedly, and

consistently construed the clause of section 5, under consideration, to mean just what it says, and refused to read into this clause any exceptions to the name of persons, firms, corporations, or associations other than those provided by the Act itself and the amendments thereto.

The plaintiff, in its brief, refers to the recent decision of the Court of Appeals of the District of Columbia in *National Cash Register Co. v. National Paper Products Co.*, 297 Fed. 351; 54 App. D.C. 278, as being a reversal of this long line of consistent decisions.

Certainly the opinion contains nothing to warrant such a conclusion, and the facts of the case show that such a conclusion is utterly unwarranted. To make this clear we quote somewhat at length from the decision of the Commissioner, reported in 329 O.G. 799, and from which the appeal was taken:

“The applicant, The National Paper Products Company, has appealed from the decision of the examiner of trade-mark interferences sustaining the opposition of the National Cash Register Company to the registration, by the applicant, of the word ‘National’, printed in distinctive manner upon a diamond-shaped panel, surmounted by the representation of a dome simulating that of the National Capitol.

“The opposer has strenuously urged that the mark of the applicant cannot be regarded as more than the word ‘National’; that the other features, the diamond panel and the representation of the dome of the Capitol at Washington are so far subsidiary as to be disregarded. Based upon this view, the opposer has alleged the applicant was not entitled to the registration of the word ‘National’ since it constitutes a prominent portion of the corporate name of the opposer corporation. In support of this view, the various holdings of the Court of Appeals of the District of Columbia, in-

interpreting this portion of Section 5 (b) of the Trade-Mark Act of 1905, are cited. These decisions, and especially that in the American Steel Foundries' case, preclude the registration of the word 'National' in view of the prior property rights of the opposer corporation. *However, it would appear the applicant is not seeking to register a mark which consists merely in the name of a corporation not written, printed, impressed or woven in some particular or distinctive manner. It is thought the applicant's mark placed upon the diamond panel, surmounted by the representation of the dome constitutes something more than that recited in the prohibitory clause of the Statute, and that the opposer would not be damaged by the registration of mark.*"

That the Commissioner was well warranted in this holding is apparent from the illustration and description of the mark involved appearing in the Official Gazette of the Patent Office, vol. 292, p. 168, as follows:

Ser. No. 128,158. (CLASS 37 PAPER AND STATIONERY.) NATIONAL PAPER PRODUCTS COMPANY, San Francisco, Calif. Filed Feb. 9, 1920.



No claim being made to the word "National" apart from the mark shown in the drawing.

Particular description of goods.—Toilet-Paper, Paper Towels, Paper-Roll Towels, and Serpentine, a Narrow Ribbon of Paper.

Claims use since June 1, 1916, on toilet-paper; since Feb. 1, 1917, on paper towels; since Aug. 1, 1918, on paper-roll towels, and since Nov. 1, 1919, on serpentine.

wherein, it will be noted, the applicant expressly disclaimed

the name "National" apart from the peculiar and distinctive design shown.

It will be seen, then, that the mark of the National Paper Products Company was held by the Commissioner and assumed by the Court to be—

"written, printed, impressed, or woven in some particular or distinctive manner"—

as provided in the section under consideration, and therefore not open to objection.

The case turned, therefore, upon the question of identity of goods, and the Court of Appeals, in its decision affirming the Commissioner of Patents, devoted itself entirely to the question of identity of goods.

The Court of Appeals of the District of Columbia has therefore always, from the time of its first reported opinion, given this statute its natural meaning. No other Court has ever held to the contrary.

Not only has this been the construction of the Act in question by the Court of Appeals of the District of Columbia, **but the Circuit Court of Appeals for the Second Circuit, in *Stephano Bros., Inc., v. Stamatopoulos*, 238 Fed. 89, has given the statute the same construction.** We quote from the opinion:

"Act Feb. 20, 1905, c. 592, 33 Stat. 724, authorized the registration of trade-marks used in commerce among the several states, as well as in commerce with foreign nations and the Indian tribes. That act in section 5 (Comp. St. 1913, sec. 9490) provided:

"That no mark which consists merely in the name of an individual, firm, corporation, or association, not written, printed, impressed, or woven in some particular or distinctive manner or in association with a portrait of the individual, or merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of

such goods, or merely a geographical name or term, shall be registered under the terms of this act.'

"As the trade-mark in this case is the name of an individual it was not entitled to registration under the act unless printed in some particular or distinctive manner as it was not in association with a portrait of the individual."

During this long period the matter has been repeatedly brought to the attention of Congress, and Congress has amended the Act in the particulars which we have noted. The intent of Congress, therefore, to maintain the construction of this clause placed upon it by the Court of Appeals of the District of Columbia has been clearly evidenced.

8. The Act of March 19, 1920, was for the Very Purpose of Relieving Cases like that of Plaintiff.

The last and recent action of Congress in this matter appears in the Act of March 19, 1920, c. 104, sec. 9, 41 Stat. 535. For many years there had been a considerable protest by the business interests of the country because of the failure of the Trade Mark Act to provide for the registration of many marks which were registrable under the laws of foreign countries. As many foreign countries permitted registration to foreigners only in case of marks registered in the country of origin, the limitations of the United States Trade Mark Act, such as in the clause in question, prevented registration in foreign countries.

This inability to secure foreign registrations for marks used in the United States, but incapable of registration under the Trade Mark Acts, either (1) because they were not valid common-law trade-marks or (2) because they were not registrable under the provisions of the Trade Mark Act such as the one in controversy, has unquestion-

ably had its disadvantages, but this is no reason for distorting the meaning of the Act. **The remedy is with the legislature, not with the Courts.**

The position of the Patent Office has been clearly stated by Mr. J. H. Carnes, the able Examiner of Trade-Mark Interferences, in a recently published paper, as follows:

“It is a prerequisite to such foreign registration, under the statutes of almost all foreign countries, that the applicant shall first obtain a registration in his own country. In such cases federal registration, therefore, becomes vitally important. If it so happens that the nature of the mark is such that registration is prohibited by any of the provisions of section 5 of the Trade Mark Act of February 20, 1905, the applicant for registration generally seeks to have the provisions of this section stretched and distorted out of all recognition. The Office has, however, held in effect, in at least one instance, that the necessity of the applicant is no good and sufficient reason for judicial legislation by the Office. (Ex parte Buffalo Pitts Company, 89 O.G. 2069)”

These attempts, at what we respectfully submit is a distortion of the meaning of the Act, have been repeatedly made.

Assistant Commissioner Fenning, in the case of *United Cigar Stores Co. v. Miller Bros. Star Shoe Co.*, 15 T.M. Rep. 143, well states and answers such an attempt:

“Applicant seems to indicate that the present procedure is an attack upon its right to use the mark on its shoes. Such is not the fact. The determination of applicant’s right to register the mark does not determine applicant’s right to the use of the mark. *Many marks which are good at common law cannot be registered because the Statute does not provide for*

their registration. The use of many marks may be continued, although they are not such as to be registrable under the Act of 1905.

"At all events, opposer here is seeking no injunction against applicant's use of the mark. Opposer is merely standing upon its naked legal right to insist that the inhibition of the Act of 1905 be enforced and registration of its name be refused to another."

Another such attempt was the recent litigation over the mark "Infallible" for powder, which was refused registration as "merely descriptive" by the Patent Office, by the Court of Appeals of the District of Columbia, and then, in a suit under the provision of section 4915, R.S., by the District Court for the Southern District of New York and the Circuit Court of Appeals for the Second Circuit. The last Court, in concluding its opinion, said:

"It is also reasonably inferable from this record that plaintiff feels unjustly treated by refusal to register a word which it has exclusively and successfully used as a trade mark for more than ten years, but not for that decade which alone secures protection under the ten-year clause of the present statute. We appreciate the hardship and are quite aware of the international trade mark difficulties which beset the path of the American trader in foreign parts who has not secured registration in his own country. *But the remedy is with the Congress, and neither the Commissioner of Patents nor any court can change the accepted law on which the Trade Mark Act of 1905 was built.*

.
 "There is much to be said in favor of a registration law which would give legal and governmental sanction to any mark which it could be shown the public had accepted. Such a system would enable this plaintiff

to prevail; but Congress must first create it." *Hercules Powder Co. v. Newton, Commissioner*, 266 Fed. 169.

The Trade Mark Act of March 19, 1920, when first introduced as a bill and reported on by the House Committee on Patents (see House Report No. 411, 66th Congress, 1st Session), was for the sole purpose of giving effect to the Convention between the United States and the Central and South American States and Cuba for the protection of trade-marks. When the bill came before the Senate it was amended (see Senate Report No. 432, 66th Congress, 2d Session) to include the present clause *b* in section 1. The purpose of this, as stated by the report, was—

“in order to get protection for American citizens in foreign countries other than those covered by”—

the House Bill, which only contained paragraph *a* of the present Act. The Senate Report stated the purpose of the entire Act to be as follows:

“It is simply for the purpose of enabling manufacturers to register their trade marks in this country for the purpose of complying with legislation in foreign countries, which necessitates registration in the United States as a necessary preliminary for such foreign registration. As the law now stands, it enables trade mark pirates in foreign countries to register as trade marks, the names and marks of the American manufacturers, and thus levy blackmail upon them.”

The plaintiff originally urged that the construction placed upon section 5, in controversy, of the Trade Mark Act by the Court of Appeals of the District of Columbia prevented it and others similarly situated from registering their alleged trade-marks in foreign countries where registration first in the United States is a prerequisite, but it was forced

to retract this position because it appeared that the Act of March 19, 1920, was for the very purpose of relieving such situations. **This amendatory Act defines the only kind of registration Congress has been willing to grant to such a name-mark.**

The only difficulty with the plaintiff seems to be that it is not satisfied with the *kind* of registration which Congress has provided for it and which is the final demarcation up to date by Congress of the privilege of registration for these name-marks.

SUMMARY.

We submit that the history of the trade-mark legislation which we have thus outlined, the judicial construction placed upon the section in controversy, and the amendatory and original Acts to and since the Act of 1905 establish the clear intent of Congress to enact and maintain in force the clause in controversy in its ordinary natural meaning, to enforce the construction to this effect given this clause repeatedly by the Court of Appeals of the District of Columbia and thus to prohibit the registration of these name-marks, subject only to the four exceptions already noted; namely:

A. In the very clause under consideration, by permitting registry if the name is "written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual."

B. In the clause added to section 5, under consideration, by the Act of February 18, 1911, which permits registry if the mark is "otherwise registrable" and is "the name of the applicant or a portion thereof."

C. In the provisions of the so-called ten-year clause forming a part of this section 5 under consideration and permitting registry of any mark "in actual and exclusive use as a trade mark" during the ten years from February 20, 1895, to February 20, 1905.

D. In the provisions of the recent Act of March 19, 1920, granting certain limited privileges of registration.

9. *Stare Decisis*.

The plaintiff's brief has a section with this heading, but it must have been thus entitled through some misapprehension.

Stare decisis is thus briefly and, we believe, accurately defined in 36 Cyc. p. 816:

"A Latin phrase meaning 'to stand by decided cases; to uphold precedents; to maintain former adjudications'."

This Court has not heretofore decided the precise question raised by the present case. This question has been left by statute to the Court of Appeals of the District of Columbia for determination. This Court refused to take the case away from that Court by *certiorari* in *American Steel Foundries v. Whitehead, Com.*, 256 U.S. 40. The instant case would never have come before this Court if the plaintiff had not prevailed upon the present Commissioner Robertson voluntarily to accept service in a district (Rec. p. 2) where he was not subject to service. This Court long ago held in *Butterworth v. Hill*, 114 U.S. 128, that the Commissioner of Patents was officially a resident of the District of Columbia, and could only be served there. The "precedents," "the decided cases," "the former adjudications," are therefore those of the Court of Appeals of the District of Columbia, together with that of the District Court in this case. In the section of this brief, pp. 24-37, giving the history of the Trade Mark Acts and adjudications upon the section in question, we show a long, uniform, and consistent interpretation, by the Congress, by the Patent Office, and by the Courts having jurisdiction, of this section in accordance with the holding of the Court of Appeals

of the District of Columbia in the present matter and adverse to plaintiff's contention.

If, then, the principle of *stare decisis* is to have any force here, certainly, we respectfully submit, it is to uphold the long line of decisions of that high Court charged with authority to decide the matter.

THE PRINCIPLES OF STATUTORY CONSTRUCTION APPLICABLE.

10. The Intention of Congress is only Pertinent for Consideration when the Meaning of a Statute is Ambiguous.

While much has been said herein with respect to the intent of Congress as to the prohibition contained in the clause of the Act in question, the clause itself is, we think, perfectly clear and definite. If this be so, there is no need to look for the intention of Congress, because such intention is only pertinent for consideration when the meaning of the statute is ambiguous. This principle was clearly laid down by this Court in *Bate Refrigerator Co. v. Sulzberger*, 157 U.S. 1, in the following language:

“In our judgment the language used is so plain and unambiguous that a refusal to recognize its natural, obvious meaning would be justly regarded as indicating a purpose to change the law by judicial action based upon some supposed policy of Congress. But, as declared in *Hadden v. Collector*, 5 Wall. 107, 11, ‘what is termed the policy of the government with reference to any particular legislation is generally a very uncertain thing, upon which all sorts of opinions, each variant from the other, may be formed by different persons. It is a ground much too unstable upon which to rest the judgment of the court in the interpretation of statutes’. ‘Where the language of the act is explicit’, this court has said ‘there is great danger in departing from the words used, to give an effect to

the law which may be supposed to have been designed by the legislature. . . . It is not for the court to say, where the language of the statute is clear, that it shall be so construed as to embrace cases, because no good reason can be assigned why they were excluded from its provision.' *Scott v. Reid*, 10 Pet. 524, 527."

Long ago this Court announced this principle in *Minor et al. v. The Mechanics Bank*, 1 Pet. 46:

"The ordinary meaning of the language must be presumed to be intended, unless it would manifestly defeat the object of the provisions."

Again, referring to an Act which this Court found "plain on its face, and single in its purpose," this Court said, in *Lessee of French et al. v. Spencer et al.*, 21 How. 228:

"And, then, what is the rule? One that cannot be departed from without assuming on part of the judicial tribunals Legislative power. It is, that when the Legislature makes a plain provision, without making any exception, the courts can make none" (citing many cases)—

or, as this Court said, in *Yturbide's Executors v. United States*, 22 How. 290:

"If there be no saving in a statute, the court cannot add one on equitable grounds."

That the enforcement of this principle of statutory construction may even be quite opposed to, or go far beyond, the probable intention of Congress was made clear by this Court in the so-called White Slave case, from which we quote a few paragraphs:

"It is elementary that the meaning of a statute must, in the first instance, be sought in the language in which

the act is framed, and if that is plain and if the law is within the constitutional authority of the law-making body which passed it, the sole function of the courts is to enforce it according to its terms. *Lake County v. Rollins*, 130 U.S. 662, 670, 671; *Bate Refrigerating Co. v. Sulzberger*, 157 U.S. 1, 33; *United States v. Lexington Mill Co.*, 232 U.S. 399, 409; *United States v. Bank*, 234 U.S. 245, 258.

“Where the language is plain and admits of no more than one meaning the duty of interpretation does not arise and the rules which are to aid doubtful meanings need no discussion. *Hamilton v. Rathbone*, 175 U.S. 414, 421. There is no ambiguity in the terms of this Act.

“But, as we have already said, and it has been so often affirmed as to become a recognized rule, when words are free from doubt they must be taken as the final expression of the legislative intent, and are not to be added to or subtracted from by considerations drawn from titles or designating names or reports accompanying their introduction, or from any extraneous source. In other words, the language being plain, and not leading to absurd or wholly impracticable consequences, it is the sole evidence of the ultimate legislative intent. See *Mackenzie v. Hare*, 239 U.S. 299, 308.

“The fact, if it be so, that the Act as it is written opens the door to blackmailing operations upon a large scale, is no reason why the courts should refuse to enforce it according to its terms, if within the constitutional authority of Congress. Such considerations are more appropriately addressed to the legislative branch of the government, which alone had authority to enact and may if it sees fit amend the law. *Lake County v. Rollins*, *supra*, p. 673.”

Caminetti v. United States, 242 U.S. 470.

We respectfully submit that the language of the clause in question is plain, definite, and clear. It might have been a wiser provision for Congress to have distinguished between those corporate names which were ordinary surnames and those which were arbitrary words capable of being valid trade-marks. It might have been a wiser provision, as the Court of Appeals of the Second Circuit said in *Hercules Powder Co. v. Newton, Commissioner*, *supra*, for Congress to have given legal and governmental sanction to any mark which it could be shown the public had accepted. But Congress did neither of these things, but plainly and definitely prohibited in the present Act, as it had done in past Acts, the registration of personal, firm, corporation, and association names of whatever nature and composition. No exception was made except in the four specific clauses in the original and amendatory Acts to which we have called attention, and we respectfully submit that, if further exceptions are to be made, they must be made by Congress, and not by the Courts.

11. Congress is Presumed to have Legislated, in Re-enacting or Amending a Statute, with Knowledge of, and Acquiescence in, Prior Judicial Construction.

Another principle which we think is here applicable is that where a statute has been re-enacted, or, we take it, amended, leaving unchanged a clause which has been construed by the Courts or been subject to an established executive construction, Congress is presumed to have legislated, in re-enacting or amending the statute, with knowledge of and acquiescence in the prior judicial or executive construction.

This principle as applied to executive or departmental construction was recently thus stated by this Court in *National Lead Co. v. United States*, 252 U.S. 140:

“The re-enacting of the drawback provision four

times, without substantial change, while this method of determining what should be paid under it was being constantly employed, amounts to an implied legislative recognition and approval of the executive construction of the statute (*United States v. Philbrock*, supra; *United States v. Falk*, 204 U.S. 143, 152, 51 L. Ed. 411, 414, 27 Sup. Ct. Rep. 191; *United States v. Cerecedo Hermanos y Campania*, 209 U.S. 337, 52 L. Ed. 821, 28 Sup. Ct. Rep. 532) for Congress is presumed to have legislated with knowledge of such an established usage of an executive department of the government (*United States v. Bailey*, 9 Pet. 238, 9 L. Ed. 113, 120)."

This principle was recently thus stated by the Circuit Court of Appeals for the Second Circuit in *Edwards v. Wabash Railway Co.*, 264 Fed. 610:

"It is a familiar and well-established rule that, where a statute that has been construed by the courts has been re-enacted in the same or substantially the same terms, the Legislature is presumed to have been familiar with its construction, and to have adopted it as a part of the law, unless a different intention is indicated."

In the case of *The Dollar Savings Bank v. United States*, 19 Wall. 227, 237, this Court referred to this principle, saying:

"It is, doubtless, a rule that when a judicial construction has been given to a statute, the re-enactment of the statute is generally held to be in effect a legislative adoption of that construction."

In that case the Court was considering the decisions of the Internal Revenue Commissioner, and held that they

could hardly be denominated judicial constructions, and that their character was such that there was—

“no presumption that his decisions were brought to the knowledge of Congress when the Act of 1870 was passed.”

In the case at bar, on the contrary, it affirmatively appears that the interpretation placed upon the clause in question was directly brought to the attention of Congress, and in view thereof Congress, by the Act of February 18, 1911, amended the statute so as to afford relief, and relief only, in the case of the name of the applicant, leaving the statute as construed by this Court otherwise unchanged.

The same principle was again stated by this Court in the case of *The Abbotsford*, 98 U.S. 440, 444:

“From this it is apparent that when the act of 1875 was passed, words in a statute limiting the power of this court in the review of cases where the facts had been found below ‘to a determination of the questions of law arising upon the record and to the rulings of the court excepted to’, had acquired, through judicial interpretation, a well-understood legislative meaning, and that they confined our jurisdiction to the re-examination of questions of law alone. Having that meaning, therefore, it is to be presumed they were used in that sense in this instance, unless the contrary is in some way made to appear. So far from there being any manifestation of such a contrary intention, the reverse is very clearly indicated.”

IN CONCLUSION.

We respectfully submit:

1. The Court of Appeals of the District of Columbia has correctly construed section 5 of the Act of 1905.

2. This section 5 prohibits plaintiff from registering the word "SIMPLEX" under the Act of 1905.

3. The only registration permitted plaintiff is under the Act of 1920.

4. The three questions certified by the Court of Appeals for the Seventh Circuit for the advice of this Court should each be answered in the affirmative.

NATHAN HEARD,

Of Counsel for SIMPLEX ELECTRIC HEATING COMPANY.

Boston, October 30, 1925.



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IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924.

No. 589.

AMERICAN STEEL FOUNDRIES

vs.

**THOMAS E. ROBERTSON, Commissioner of Patents,
and SIMPLEX ELECTRIC HEATING COMPANY.**

ON CERTIFICATE FROM THE UNITED STATES CIRCUIT COURT OF
APPEALS, FOR THE SEVENTH CIRCUIT.

BRIEF FOR AMERICAN STEEL FOUNDRIES.

Statement of the Case.

This is a suit brought under Section 4915, U. S. Rev. Stat., which provides that an applicant for a patent whose application has been refused by the Commissioner of Patents and by the Court of Appeals of the District of Columbia upon appeal to said court from the decision of

the Commissioner of Patents, may further contest his right to a patent by filing a bill in equity against the Commissioner of Patents.

The bill of complaint was filed against Thomas E. Robertson, Commissioner of Patents, he having consented to the jurisdiction of the District Court for the Northern District of Illinois, Eastern Division (R. 6).

The Simplex Electric Heating Company, a corporation of Massachusetts, filed a petition to intervene and defend, which petition upon stipulation of the parties was granted by the court, and the said company thereupon filed motion to dismiss the bill on the ground that an applicant for registration of a trade-mark had no right to proceed by way of a bill in equity under Section 4915, and the court was therefore without jurisdiction. This petition was granted and the bill of complaint dismissed. On appeal to this court, the decree of the District Court was reversed, 262 U. S. 209. Answer was thereafter filed by the Simplex Electric Heating Company. Thereupon the parties entered into a stipulation that the cause be submitted to the court for final decision upon the pleadings and an agreed statement of facts (R. 17-21). The case was orally argued and briefs submitted before the District Court on behalf of both parties, and thereafter, on February 18, 1924, a decree was entered by the District Court dismissing the bill of complaint for want of equity.

No opinion was rendered by the District Court. Plaintiff appealed to the United States Circuit Court of Appeals for the Seventh Circuit. Printed briefs were filed, and on June 6, 1924, oral arguments were presented on

Throughout this brief the **American Steel Foundries** will be designated plaintiff, and **Thomas E. Robertson, Commissioner of Patents**, and **Simplex Electric Heating Company**, defendants.

Wherever italics are used, they are ours unless otherwise stated.

behalf of both parties, at which time the court stated that it would certify the question involved to this court.

It appears from the statement of facts that the plaintiff, American Steel Foundries, a corporation of the State of New Jersey, on May 19, 1917, filed in the United States Patent Office an application for registration of the trade-mark "Simplex" as applied to brake rigging, brake heads, brake beams, brake shoes, brake hangers, and clasp brakes; that on February 23, 1918, the Commissioner of Patents affirmed the refusal of the Examiner of Trade-Marks to register plaintiff's said trade-mark "Simplex" on the ground that it consisted merely of the name of a corporation, the Simplex Electric Heating Company, and therefore was not registrable under Section 5 of the Trade-Mark Act of February 20, 1905; that plaintiff thereupon took an appeal from said decision of the Commissioner of Patents to the Court of Appeals of the District of Columbia, which court, on May 5, 1919, affirmed the decision of the Commissioner of Patents refusing to register plaintiff's said trade-mark (258 Fed. 160). The records of this court show that on June 23, 1919, plaintiff filed in the United States Supreme Court a petition for writ of certiorari, which was granted, and the writ issued on October 16, 1919; that the here impleaded defendant, Simplex Electric Heating Company, filed before the United States Supreme Court a petition to intervene as a respondent, and to present a brief and an oral argument through its counsel, which petition was granted; that on January 12 and 13, 1920, the case was orally argued by counsel for plaintiff and by counsel for the defendant, Simplex Electric Heating Company, before this court, and on April 11, 1921, a decision was rendered dismissing the case for want of jurisdiction (256 U. S. 40) upon the ground that the decree of the Court of Appeals was not a final one, and that hence the writ of certiorari

had been improvidently granted, reference being made in the opinion of the Supreme Court to its decision of the same date in *Baldwin v. Howard*, 256 U. S. 35; and that thereafter the bill of complaint in the case at bar was filed.

The statement of facts further recites that the plaintiff, American Steel Foundries, was organized on July 26, 1902, and that its predecessor, Simplex Railway Appliance Company, was incorporated on July 30, 1897; that the Simplex Railway Appliance Company on August 1, 1897, adopted, and it and its successor, the plaintiff herein, thereafter continued to use, the trade-mark "Simplex" on railway car bolsters, and registered said trade-mark in the United States Patent Office on May 2, 1911, Certificate No. 81,752; that on June 1, 1907, plaintiff adopted, and thereafter continuously used, the trade-mark "Simplex" on railway car couplers, and registered the same in the United States Patent Office on April 6, 1909, Certificate No. 73,250; and that on April 16, 1917, plaintiff adopted, and thereafter continuously used, the trade-mark "Simplex" on brake rigging, brake heads, brake beams, brake shoes, brake hangers and clasp brakes, and on May 17, 1917, filed an application for registration thereof, the refusal of which is the basis of this action.

The statement of facts further recites that prior to December 17, 1886, and continuously thereafter, a firm was doing business under the name and style Simplex Electrical Company, and adopted, and thereafter continuously used, the trade-mark "Simplex" in its business on insulated or protected conducting wire, and registered said trade-mark in the United States Patent Office on October 28, 1890, Certificate No. 18,552; that Simplex Electrical Company was organized under the laws of Massachusetts on March 16, 1895, and on February 1, 1913, lawfully changed its name to Simplex Wire and

Cable Company; that the Simplex Electrical Company upon its organization took over and succeeded to the business of the firm Simplex Electrical Company; that beginning in 1898, the corporation Simplex Electrical Company extended its business to include the manufacture and sale of a variety of electrical heating devices, and continuously thereafter, and until the organization of the defendant, Simplex Electric Heating Company, used the trade-mark "Simplex" upon said devices in interstate commerce; that the defendant, Simplex Electric Heating Company, was incorporated on July 14, 1902, under the laws of Massachusetts, and thereupon took over and succeeded to, and continuously thereafter carried on that part of the business of the Simplex Electrical Company which related to electrical heating devices; that the defendant, Simplex Electric Heating Company, registered certain trade-marks comprising the word "Simplex" in the United States Patent Office, Certificate No. 56,315, September 11, 1906; Certificate No. 56,316, September 11, 1906; and Certificate No. 56,383, September 18, 1906; that the trade-marks shown in said certificates were adopted, and thereafter continuously used, by defendant in its business, on the goods specified in said certificates on the dates stated therein; that the said defendant, and its predecessors in business, have been continuously engaged in business in interstate commerce since prior to December 17, 1886, and during such period have continuously used the trade-mark "Simplex" upon articles manufactured and sold by them, said articles increasing in number and variety up to several hundred; and that the defendant, Simplex Electric Heating Company, has successfully instituted various oppositions to the registration of the trade-mark "Simplex" by other corporations.

The statement of facts further recites that the word "Simplex" has comprised the whole or part of trade-

marks registered in the United States Patent Office in nearly sixty registrations, by nearly as many different parties, as applied to various classes of merchandise; that there are and have been other corporations in this country which now have or have had names comprising the word "Simplex"; that the word "Simplex" was in existence prior to its adoption and use as a trade-mark by defendants' predecessor, but was lawfully subject to adoption and use as a trade-mark and name of defendants' predecessor; *that the defendant is not now, and neither it nor its predecessors ever have been engaged in the manufacture or sale of the devices on which plaintiff and its predecessors have used the trade-mark "Simplex," or on any devices in competition therewith.*

Questions Certified.

The questions concerning which the United States Court of Appeals for the Seventh Circuit has requested the advice of this court are:

1. Does the clause of Section 5 of the Trade-Mark Act of February 20, 1905,

"Provided, that no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of an individual . . . shall be registered under the terms of this Act,"

prohibit registration as a trade-mark under said Act of the word "Simplex" by the plaintiff under the recited facts?

2. Does the said clause quoted of Section 5 prohibit registration under the Act of February 20, 1905, of a trade-mark consisting solely of a single word otherwise registerable under the said Act if (fol. 5) that word is the

salient feature of the name of a corporation not the applicant for registration?

3. Does the above-quoted clause of Section 5 of the Trade-Mark Act of February 20, 1905, prohibit the registration under said Act of a common-law trade-mark which is the name, or part of the name of another than the applicant, whose business relates exclusively to goods in a different and non-competing class from the goods on which the trade-mark is used by the applicant?

While three questions are presented, yet the same consideration underlies them all, namely: Whether the Court of Appeals of the District of Columbia correctly construed Section 5 of the Trade-Mark Act of 1905 in holding that it precludes the Commissioner of Patents from registering a common-law trade-mark which forms part of the name of a corporation, even though the business of the corporation relates exclusively to merchandise in an entirely different and non-competing class from that on which the trade-mark is used. Plaintiff uses the trade-mark "SIMPLEX" on railway car brakes; while the corporation, the Simplex Electric Heating Company, manufactures and sells electrically heated devices.

Statute Involved.

Section 5 of the Act of February 20, 1905, authorizing the registration of trade-marks, is as follows:

"That no mark by which the goods of the owner of the mark may be distinguished from other goods of the same class shall be refused registration as a trade-mark on account of the nature of such mark unless such mark—

"(a) Consists of or comprises immoral or scandalous matter.

"(b) Consists of or comprises the flag or coat of arms or other insignia of the United States or any simulation thereof, or of any State or municipality

or of any foreign nation, or of any design or picture that has been or may hereafter be adopted by any fraternal society as its emblem, *or of any name, distinguishing mark, character, emblem, colors, flag, or banner adopted by any institution, organization, club, or society which was incorporated in any State in the United States prior to the date of the adoption and use by the applicant; Provided, That said name, distinguishing mark, character, emblem, colors, flag, or banner was adopted and publicly used by said institution, organization, club, or society prior to the date of adoption and use by the applicant: Provided,* [italics not ours] That trade-marks which are identical with a registered or known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties, or which so nearly resemble a registered or known trade-mark owned and in use by another and appropriated to merchandise of the same descriptive properties as to be likely to cause confusion or mistake in the mind of the public or to deceive purchasers shall not be registered: *Provided, That no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of the individual, or merely in words or devices which are descriptive of the goods with which they are used, or of the character or quality of such goods, or merely a geographical name or term, shall be registered under the terms of this Act: Provided further, That no portrait of a living individual may be registered as a trade-mark except by the consent of such individual, evidenced by an instrument in writing: And provided further, That nothing herein shall prevent the registration of any mark used by the applicant or his predecessors, or by those from whom title to the mark is derived, in commerce with foreign nations or among the several states or with Indian tribes which was in actual and exclusive use as a trade-mark of the applicant, or his predecessors from whom he derived title, for ten years next preceding February twentieth, nineteen hundred and five: Provided further, That nothing herein shall prevent the registration of a trade-mark otherwise registrable because of its being the name of the applicant or a portion thereof."*

Points of Law to be Discussed.

1. Purpose and intent of the trade-mark law.
2. Common-law right of plaintiff to "Simplex" as a trade-mark for vehicles.

3. Simplex Electric Heating Company has no exclusive right to "Simplex" as a trade-mark on any goods other than those to which it has appropriated it.

4. Simplex Electric Heating Company by virtue of its name has no exclusive right to the word "Simplex" but is merely entitled to protection from fraudulent or deceptive use of its name by others.

5. Section 5 of the Trade-Mark Act cannot, under the following well-established rules for interpreting statutes, be so construed as to bar plaintiff's registration:

(a) "Statutory words are uniformly presumed, unless the contrary appears, to be used in their ordinary and usual sense, and with the meaning commonly attributed to them." *Caminetti v. United States*, 242 U. S. 470, 485.

(b) "Where a particular construction of a statute will occasion great inconvenience or produce inequality or injustice, that view is to be avoided if another and more reasonable interpretation is present in the statute." *Knowlton v. Moore*, 178 U. S. 77.

(c) "Reports to Congress accompanying the introduction of proposed laws may aid the courts in reaching the true meaning of the legislature in cases of doubtful interpretation." *Caminetti v. United States*, *supra* (p. 490).

(d) "It is a familiar rule, that a thing may be within the letter of the statute and yet not within the statute, because not within its spirit, nor within the intention of its makers." *Holy Trinity Church v. United States*, 143 U. S. 457, 459.

(e) "The enacting clause is, of course, the principal part of the statute, and, as its terms may be presumed to have embodied the main object of the

act, the proviso should be strictly construed." 36 Cyc., 1161.

6. Previous interpretations of the statute in question.
7. *Stare decisis*.

Purpose and Intent of the Trade-Mark Law.

Inasmuch as every man has the right to the use of his own name in connection with his business; the right to describe the character or quality of the goods which he manufactures or sells; and the right to designate the locality where his goods are manufactured or produced, it has always been recognized in common law that no man can exclusively appropriate as a trade-mark his name, or any words descriptive of the character or quality of his manufactured or produced goods, or the name of the locality where his goods are manufactured or produced.

No trade-mark is therefore valid at common law which consists merely of a proper name, as others having the same name are equally entitled to use it in connection with their business; which consists merely in words or devices descriptive of the goods or their character or quality, as every manufacturer or producer of articles is entitled to the unrestricted use of appropriate words descriptive of his goods; or which is merely a geographical name, as every individual or concern doing business in a community is entitled to state in what geographical locality his goods are produced or manufactured.

In order, therefore, that the Trade-Mark Act might preclude the registration of trade-marks which are not recognized at common law as susceptible of exclusive appropriation, Section 5 of the Trade-Mark Act expressly provides that no trade-mark shall be registered which consists "merely in the name of an individual, firm, corporation or association," or "merely in words or devices

which are descriptive of the goods on which they are used or of the character or quality of such goods," or "merely a geographical name or term."

The obvious intent, therefore, of the phrase of the Trade-Mark Act here in question was to preclude the registration of a *mere* name, as others bearing the same name have an equal right to use it in connection with their business, and hence no one should be given the advantage of registering his name as a trade-mark, as he has no exclusive right to his name, or to any *mere* name, as others having the same name are equally entitled to use it in their business.

This court in *Elgin National Watch Co. v. Illinois Watch Co.*, 179 U. S. 665, 673, in defining the term "trade-mark," said:

"The term has been in use from a very early date, and, generally speaking, means a distinctive mark of authenticity, through which the products of particular manufacturers or the vendible commodities of particular merchants may be distinguished from those of others. It may consist in any symbol or in any form of words, but as its office is to point out distinctively the origin or ownership of the articles to which it is affixed, it follows that no sign or form of words can be appropriated as a valid trade-mark, which from the nature of the fact conveyed by its primary meaning, others may employ with equal truth, and with equal right, for the same purpose."

The object and purpose of the trade-mark law are to confer upon the owner of a valid common-law trade-mark a statutory right to such trade-mark, together with certain advantages which flow therefrom and which are not derived from the common-law right. A registration under the trade-mark statute is *prima facie* evidence of ownership; it permits the owner to protect his rights in the Federal Courts regardless of diverse citizenship and the amount involved; it renders it unnecessary for him

to prove a fraudulent knowledge and intent on the part of an infringer of his trade-mark; and it enables him to obtain registration of his mark in foreign countries.

This court in *Thaddens Davids Co. v. Davids*, 233 U. S., 461, 465, construing the section of the trade-mark law here in question—namely, Section 5—said:

“The owner of a trade-mark valid at common law and used in commerce with foreign nations, or among the several States, or with Indian tribes, may obtain its registration under the Act without showing the user of ten years required by this clause.”

The clause referred to is that which permits registration of trade-marks, otherwise unregistrable, which have been in actual and exclusive use by the applicant for ten years previous to the passage of the Act.

Mr. Justice Miller, speaking for this court in the Trade-Mark Cases, 100 U. S., 82, 92, described the trade-mark laws then in force as follows:

“It is sufficient at present to say that they provide for the registration in the Patent Office of any device in the nature of a trade-mark to which any person has by usage established an exclusive right, or which the person so registering intends to appropriate by that act to his exclusive use; and they make the wrongful use of a trade-mark, so registered, by any other person, without the owner’s permission, a cause of action in a civil suit for damages.”

Not only has it been the purpose and intent of previous Trade-Mark Acts to extend statutory protection through registration to one who has acquired a common-law right to a trade-mark, but the committee on patents of the House of Representatives, in its report recommending the passage of the present act, said, in reference to the particular section here in question, as follows:

“In the past there has been considerable complaint in regard to what could be registered under the existing law as a trade-mark. Much of the time of the

committee in the hearing of the bill has been consumed in a discussion upon this particular feature of the legislation. *Sec. 5 of the proposed bill, we believe, will permit the registration of all marks which could, under the common law as expounded by the courts, be the subject of a trade-mark and become the exclusive property of the party using the same as his trade-mark.*"

It, therefore, being well established that it is the purpose and intent of the trade-mark law to register trade-marks to which the applicant has acquired a common-law right, it becomes pertinent to consider, first, whether plaintiff has acquired a common-law right to the trade-mark "Simplex" as applied to merchandise in the general class of vehicles; and, second, whether the wording of the present trade-mark law must be so construed as to prevent Section 5 of the Act of 1905 from accomplishing the recognized purpose and intent of the trade-mark law.

Common-Law Right of Plaintiff to "Simplex" As a Trade-Mark for Vehicles.

The trade-mark "Simplex" was originally adopted and used by plaintiff's predecessor, Simplex Railway Appliance Company, for railway car bolsters, in Class 19, Vehicles, on August 1, 1897. Plaintiff since June 1, 1907, has continuously used the said trade-mark on railway car couplers, in Class 19, Vehicles, and has since April 16, 1917, continuously used the said trade-mark in railway brakes in the same Class 19, Vehicles.

Plaintiff's trade-mark fully complies with the requirements of the law as stated by this court in *Estate of P. D. Beckwith v. Commissioner of Patents*, 252 U. S. 538, 543, from which the following quotation is made:

"It was settled long prior to the Trade-Mark Reg-

istration Act that the law would not secure to any person the exclusive use of a trade-mark consisting merely of words descriptive of the qualities, ingredients, or characteristics of an article of trade. This for the reason that the function of a trade-mark is to point distinctively, either by its own meaning or by association, to the origin or ownership of the wares to which it is applied, and words merely descriptive of qualities, ingredients, or characteristics, when used alone, do not do this. Other like goods, equal to them in all respects, may be manufactured or dealt in by others, who, with equal truth, may use, and must be left free to use, the same language of description in placing their goods before the public."

In order to defeat plaintiff's common-law right to the said trade-mark as applied to merchandise in Class 19, Vehicles, it is necessary that it should appear that some other corporation, firm or individual had previously adopted it and has continuously used it on the same class of merchandise, or on "merchandise of the same descriptive properties." The fact that the said trade-mark was previously adopted and used by others, including defendant Simplex Electric Heating Co., *on merchandise of other descriptive properties* in no way militates against plaintiff's common-law right to said trade-mark as applied to vehicles and to all merchandise included in such general class. The use by different parties of the same trade-mark on merchandise of the *same* descriptive properties is "likely to cause confusion or mistake in the mind of the public or to deceive purchasers," and hence is properly prohibited both by statute and by common law.

Although the word "Simplex" has formed the whole or a part of nearly 60 registered trade-marks, and various corporations in this country have had and now have names which comprise the word "Simplex" there is no contention that the appropriation of the said trade-mark

by plaintiff to merchandise in the class of vehicles is likely to cause confusion or mistake in the mind of the public, or to deceive purchasers. Under the above state of facts plaintiff has acquired a valid common-law right to the said trade-mark. This court, in *Canal Co. v. Clark*, 80 U. S. 311, 322, in considering the question of common-law trade-marks, said:

“Undoubtedly words or devices may be adopted as trade-marks which are not original inventions of him who adopts them, and courts of equity will protect him against any fraudulent appropriation or imitation of them by others. Property in a trade-mark, or rather in the use of a trade-mark or name, has very little analogy to that which exists in copyrights, or in patents for inventions. Words in common use, with some exceptions, may be adopted, *if, at the time of their adoption, they were not employed to designate the same, or like articles of production.* The office of a trade-mark is to point out distinctively the origin, or ownership of the article to which it is affixed; or, in other words, to give notice who was the producer.” (Italics ours.)

To the same effect is the following statement by this court:

“It (the trade-mark) may consist in any symbol or in any form of words; but, as its office is to point out distinctively the origin or ownership of the articles to which it is affixed, it follows that no sign or form of words can be appropriated as a valid trade-mark, which from the nature of the fact conveyed by its primary meaning, others may employ with equal truth, and with equal right, for the same purpose.” *Standard v. Trinidad*, 220 U. S. at page 453; 31 Sup. Ct. at page 457 (55 L. Ed. 536.)

Plaintiff's common-law right to the trade-mark “Simplex” as applied to merchandise in the class of vehicles is within all of the authorities, and is not contested by defendants.

Simplex Electric Heating Company Has No Exclusive Right to "Simplex" As a Trade-Mark On Any Goods Other than Those to Which It Has Appropriated It.

The fact that the Simplex Electric Heating Company has adopted and used the trade-mark "Simplex" is no bar to the recognition of plaintiff's right thereto when applied to merchandise in the class of vehicles. *The Simplex Electric Heating Company has never adopted and used the said trade-mark on merchandise in the class of vehicles, or in any competing class of merchandise.* The Simplex Electric Heating Company was not incorporated until 1902, five years subsequent to the adoption and use of the trade-mark "Simplex" by plaintiff's predecessor. The Simplex Electric Heating Company was organized to take over that part of the business of the Simplex Electrical Company which resided in the manufacture and sale of electrically heated devices.

From 1898 until 1902 the Simplex Electrical Company had manufactured and sold electrically heated devices.

That the trade-mark "Simplex" had been used by the predecessor of the Simplex Electric Heating Company prior to August 1, 1897, when it was adopted and used by plaintiff's predecessor, is wholly immaterial, as in any use of such trade-mark by the Simplex Electric Heating Company or its predecessors was on merchandise of different descriptive properties from vehicles. The Simplex Electric Heating Company, therefore, has never acquired any right to the trade-mark "Simplex" as applied to vehicles, or any parts thereof. The said company's right to the trade-mark "Simplex" is limited to merchandise of the same descriptive properties as that on which it has used the said trade-mark and it has no right to said trade-mark as applied to merchandise of any other descriptive properties.

This court, in *Canal Co. v. Clark*, *supra*, said (p. 323):

“No one can claim protection for the exclusive use of a trade-mark or trade name which would practically give him a monopoly in the sale of any goods other than those produced or made by himself.”

This court, in *Columbia Mill Co. v. Alcorn*, 150 U. S. 460, 463, stated as one of the essential requisites to a valid trade-mark the following:

“That the exclusive right to the use of the mark or device claimed as a trade-mark is founded on priority of appropriation; that is to say, the claimant of the trade-mark must have been the first to use or employ the same on like articles of production.”

This court again defined the scope of a trade-mark in *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446, 454, as follows:

“A trade-mark, it was hence concluded, ‘must therefore be distinctive in its original signification, pointing to the origin of the article, or it must have become such by association.’ But two qualifying rules were expressed, as follows: ‘No one can claim protection for the exclusive use of a trade-mark or trade-name which would practically give him a monopoly in the sale of any goods other than those produced or made by himself. If he could, the public would be injured rather than protected, for competition would be destroyed.’ ”

This court, in *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, 414, quoted with approval the following excellent summary of the law of trade-marks from the opinion of Vice Chancellor Sir Wm. Page Wood, in *Ainsworth v. Walmsley*, L. R., 1 Eq. 518, 524:

“ ‘This court has taken upon itself to protect a man in the use of a certain trade-mark as applied to a particular description of article. *He has no property in that mark per se, any more than in any other fanciful denomination he may assume for his own private use, otherwise than with reference to his trade.* If he does not carry on a trade in iron,

but carries on a trade in linen, and stamps a lion on his linen, another person may stamp a lion on iron; but when he has appropriated a mark to a particular species of goods, and caused his goods to circulate with this mark upon them, the court has said that no one shall be at liberty to defraud that man by using that mark, and passing off goods of his manufacture as being the goods of the owner of that mark.' ” (Italics ours.)

To the same effect is the decision of this court in *United Drug Co. v. Theodore Rectanus Co.*, 39 Sup. Ct. Rep. 48; 248 U. S. 90, 97:

“There is no such thing as property in a trade-mark except as a right appurtenant to an established business or trade in connection with which the mark is employed. The law of trade-marks is but a part of the broader law of unfair competition; the right to a particular mark grows out of its use, not its mere adoption; its function is simply to designate the goods as the product of a particular trader and to protect his good will against the sale of another’s product as his; and it is not the subject of property except in connection with an existing business. *Hanover Milling Co. v. Metcalf*, 240 U. S. 403, 412-414, 36 Sup. Ct. 357, 60 L. Ed. 713.”

This court, in *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, 415, held that the first adopter of the trade-mark “Tea Rose” as applied to flour was limited in its exclusive right to said mark to the territory in which it had sold the flour, and that it could not enforce its trade-mark against one who had later adopted and used the same trade-mark on flour in other territory. The court said:

“Into whatever markets the use of a trade-mark has extended, or its meaning has become known, there will the manufacturer or trader whose trade is pirated by an infringing use be entitled to protection and redress. But this is not to say that the proprietor of a trade-mark, good in the markets where it has been employed, can monopolize markets that

his trade has never reached, and where the mark signifies not his goods, but those of another."

The same rule announced by this court as to territory applies to classes of goods, and one who has adopted and used a trade-mark on one class of goods can no more enforce the said trade-mark against one who has later adopted it and used it on another class of goods, than can the originator of the trade-mark enforce it in territory in which he has not used it.

The Simplex Electric Heating Company, therefore, has, under well-established law, *no right to the trade-mark "Simplex" as applied to any other goods than those to which it has appropriated it.* It has never adopted and used the said trade-mark on vehicles, or parts thereof, and hence has no right which would be injured by the registration of the said trade-mark by plaintiff. Furthermore, it has no right under its character to engage in the manufacture or sale of vehicles or brakes for railway cars.

Simplex Electric Heating Company by Virtue of Its Name Has No Exclusive Right to the Word "Simplex."

In addition to precluding the registration of a *mere* name it was evidently the intention of the portion of Section 5 of the Trade-Mark Act under consideration—namely, "no mark which consists *merely* in the name of an individual, firm, corporation, or association. . . . shall be registered"—to recognize the common-law right of a corporation to protection against fraudulent use of its name by others.

The general rule governing the supervision of equity over the names of corporations was well stated in *Hig-*

gins Co. v. Higgins Soap Co. 144 N. Y., 462, as follows:

“In respect to corporate names, an injunction lies to restrain the simulation and use by one corporation of the name of a prior corporation which tends to create confusion, and to enable the later corporation to obtain, by reason of the similarity of names, the business of the prior one. The courts interfere in these cases, not on the ground that the state may affix such corporate names as it may elect to the entities it creates, but to prevent fraud, actual or constructive.”

The law was also well stated by Judge Bradley in *Celuloid Mfg. Co. v. Cellonite Mfg. Co.*, 32 Fed. 94, 97, as follows:

“Fair competition in business is legitimate, and promotes the public good; but an unfair appropriation of another’s business, by using his name or trade-mark, or an imitation thereof calculated to deceive the public, or any other way, is justly punishable by damages, and will be enjoined by a court of equity.”

The right of a corporation to its name extends no further, and does not give to a corporation the exclusive right to a word which it may have adopted as part of its name. If it has used such a word as a trade-mark applied to a certain merchandise, it is protected in the use of such word, not because it is part of its name, but because it has a common-law right to it as a trade-mark. A generic word embodied in a corporate name is not entitled to protection in equity. The same principle which protects a corporation in the use of its own name operates to prevent the corporation from interfering with the use by others of that part of its name which was previously known to and used by others, and to which it has no more right than they have.

The U. S. Circuit Court of Appeals for the Seventh Circuit in *Keystone Oil & Mfg. Co. v. Buzby*, 219 Fed.

473, 476, in holding that the plaintiff did not acquire exclusive right to the word "Keystone" as a trade-mark merely because it formed part of its corporate name, said:

"The contention on behalf of the appellee for support of the decree, as we understand it, is this in effect: That the word 'Keystone' has been so appropriated by the appellee in his business that his rights have become exclusive for its use in the marking and sale of lubricants. Such broad view, however, is untenable under the entire current of authorities. Words which are common to the public cannot be thus appropriated for exclusive use, beyond the limited extent recognized for the protection either of trade-marks against infringers or of trade-names against deceptive imitators. In the leading trade-mark case of *McLean v. Fleming*, 96 U. S. 245, 252, 24 L. Ed. 828, speaking in reference to trade-mark rights of a person in his own name, the opinion states the rule that:

"Such a party is not, in general entitled to the exclusive use of a name, merely as such, without more. . . . Instead of that, he cannot have such a right, even in his own name, as against another person of the same name, unless such other person uses a form of stamp or label so like that used by the complaining party as to represent that the goods of the former are of the latter's manufacture.'

". . . No person can acquire exclusive rights to employ any name or word, as part of his trade-name; but one may acquire reputation for his business or goods under any designation he has adopted therefor, and other traders are excluded under the rule from filching his trade by deceptive use of like designation."

The word "Simplex" is an ordinary English word directly adopted from the Latin. It is a word which was well known long prior to any alleged adoption of it as a part of the corporate name of the Simplex Electric Heating Company. The word "Simplex" has been regis-

tered at least sixty times, as applied to various classes of merchandise and many corporations in this country have names of which the word "Simplex" forms a part.

The word "Simplex" is not only not *merely* the name of a corporation, the Simplex Electric Heating Company, but it is *not the distinguishing* name of said corporation. The name "Simplex" is just as distinctive of the various other corporations in the names of which it appears, as it is of the defendant corporation. The word "Simplex" does not identify any corporation in particular, because it is equally the name of various corporations. If the "Simplex Company" were referred to without any other identifying words it would not be known to what corporation reference was made.

The Simplex Electric Heating Company merely adopted as part of its name a word in common use in names and trade-marks.

The word "Simplex" no more identifies the name of the Simplex Electric Heating Company than do the words "Electric" or "Heating." In fact, in order to distinguish the name of the said company from the Simplex Electric Company, it was necessary that the word "Heating" should be added. This name, if any, is therefore the essential distinguishing feature in the name of the said company.

The Simplex Electric Heating Company acquired no common-law right generally to the word "Simplex" through its adoption of such word as part of its name, and it could not in a court of equity enjoin the use of such name by others unless used in such way as to deceive the public and to injure the said company. The phrase in Section 5 of the Trade-Mark Act under discussion was clearly only intended to recognize the common-law right of a corporation to its name and its equitable right to be protected from the fraudulent use of its name.

Section 5 of the Trade-Mark Act Cannot, Under the Following Well-Established Rules For Interpreting Statutes, Be So Construed As to Bar Petitioner's Registration.

The phrase in Section 5 of the Trade-Mark Act under discussion, namely,

"no mark which consists merely in the name of an individual, firm, corporation, or association . . . shall be registered under the terms of this Act,"

when interpreted by any and all of the recognized rules for the interpretation of statutes constitutes no bar to the registration by plaintiff of the trade-mark "Simplex" as applied to the goods to which it has appropriated it, as it distinguishes such goods "from other goods of the same class."

The first rule as to the interpretation of statutes is well stated by this court *Caminetti v. United States*, *supra* (p. 485), as follows:

"Statutory words are uniformly presumed, unless the contrary appears, to be used in their ordinary and usual sense, and with the meaning commonly attributed to them."

The trade-mark sought to be registered, "Simplex," is one of the three words of the name of the Simplex Electric Heating Company. Is the one word "Simplex" "merely" the name of the Simplex Electric Heating Company? To so hold would be to utterly disregard the ordinary and usual meaning of the word "merely."

The Century Dictionary defines the word "merely" as follows:

- "1. Absolutely; wholly; completely; utterly.
- "2. Simply; solely; only."

Thus the word "merely" in the context under discussion must mean one of two things—namely, that the

trade-mark sought to be registered must be something other than the sole verbal feature of a party's name; or that the word must be *more than a name in the sense that its inherent character is such that it may become a trade-mark*; that is to say, sufficiently arbitrary or fanciful in its application to entitle the user to sequester it in the particular line of manufacture in which he is engaged.

That the word "Simplex" is arbitrary and fanciful, and not "merely" a name in the sense of this interpretation of the expression, is conclusively shown by the fact that it has been recognized and registered as an arbitrary, fanciful name or trade-mark in numerous instances.

That the word "Simplex" (taking the other interpretation of the expression) does not constitute absolutely, or wholly, or completely, or utterly, or simply, or solely, or only, the name of the Simplex Electric Heating Company is too obvious to need argument. Even though the spirit and intent of the trade-mark can be disregarded, in order to refuse registration of plaintiff's trade-mark "Simplex" it is necessary to amend the letter of Section 5 of the Trade-Mark Act under consideration by eliminating the word "merely" and by inserting after the word "consists" the phrase "of part of," so that the said phrase will read:

"No mark which consists *of part* of the name of an individual, firm, corporation, or association . . . shall be registered under the terms of this Act."

The recognized rules of statute interpretation do not permit the language in which the statute is stated to be so judicially amended.

It is submitted, in fact, that when the Simplex Electric Heating Company registered its trade-mark "Simplex Quality" on September 11, 1906, Section 5 of the Trade-Mark Act had not been amended by adding thereto the last proviso, namely:

“That nothing herein shall prevent the registration of a trade-mark otherwise registerable because of its being the name of the applicant or a portion thereof.”

The law, therefore, at that time precluded the registration as a trade-mark *merely* the name of a corporation, whether said corporation was the applicant or not. In registering the said trade-mark, in which the only registrable word is “Simplex,” the Patent Office necessarily ruled that the mark “Simplex” was not merely the name of the Simplex Electric Heating Company. The ruling of the Patent Office in registering the said trade-mark, and thereby holding that the word “Simplex” was not merely the name of the Simplex Electric Heating Company, undoubtedly properly construed the trade-mark law, and should have followed its precedent by registering plaintiff’s trade-mark.

Under the elemental rule of statute interpretation plaintiff is entitled to register its trade-mark “Simplex,” as it is not “merely the name” of the corporation, Simplex Electric Heating Company, or of any other corporation.

Another recognized rule which controls the construction of statutes is that where a particular construction will cause injustice, a more reasonable interpretation must be given. This principle was reiterated by this court in *Knowlton v. Moore*, 178 U. S. 41, 77, as follows:

“We are, therefore, bound to give heed to the rule, that where a particular construction of a statute will occasion great inconvenience or produce inequality and injustice, that view is to be avoided if another and more reasonable interpretation is present in the statute. *Bate Refrigerating Co. v. Sulzberger*, 157 U. S., 1, 37; *Wilson v. Rousseau*, 4 How., 646, 680; *Bloomer v. McQuewan*, 14 How., 539, 553; *Blake v. National Banks*, 23 Wall., 307, 320; *United States v. Kirby*, 7 Wall., 482, 486.”

This court emphasized the importance of this rule of statute interpretation in connection with the trade-mark law under consideration as follows:

“ . . . Of course, refusal to register a mark does not prevent a former user from continuing its use; but it deprives him of the benefits of the statute, and this should not be done if it can be avoided by fair, even liberal, construction of the act, designed as it is to promote the domestic and foreign trade of our country.” *Estate of P. D. Beckwith, Inc., v. Commissioner of Patents*, 40 Supreme Court Rep. 414; 252 U. S. 538, 546.

If Section 5 of the Trade-Mark Law is construed as has been done by the Court of Appeals of the District of Columbia injustice will be done plaintiff. Plaintiff unquestionably has a common-law right to the trade-mark “Simplex” as applied to the various parts of railroad vehicles to which it has continuously applied it since August 1, 1897. It, therefore, has also acquired a statutory right to such trade-mark and to the benefits which are derived from registration of its trade-mark.

If registration is refused plaintiff will be precluded from enforcing its right to its said trade-mark in the Federal courts, unless the statutory amount and diversity of parties are present. The refusal to register its trade-mark deprives it of the *prima facie* right thereto incident to registration and renders it necessary to prove a fraudulent intent on the part of an infringer.

Furthermore, the refusal to register plaintiff’s trade-mark renders it impossible to register it in many foreign countries, and hence leaves it a prey to scheming parties in foreign countries to register plaintiff’s trade-mark and prevent plaintiff from shipping its merchandise bearing thereon its trade-mark into such foreign countries unless such piratical registrants are paid whatever sums they may demand.

The interpretation which the Court of Appeals of the

District of Columbia has placed upon the section of the Trade-Mark Law in question, therefore, instead of benefiting American owners of trade-marks, benefits those scheming individuals who make it a practice to register American trade-marks in foreign countries, and prevent importation into such countries of the goods of the American legal owners of the trade-marks.

The Court of Appeals for the Second Circuit referred to the desirability of registering a trade-mark under the law of 1905, as follows:

“ . . . The desirability of registration under the act of 1905, to and among those in extensive and especially foreign trade, is very great, and need not be dwelt upon; yet it is too well settled to need citation that a trade-mark is not the creature of registration, but the appendage or growth of a business.” *Hercules Powder Co. v. Newton*, 266 Fed. 169, 171.

The interpretation of the statute in question contended for, while necessary in order to avoid injustice to plaintiff, will in nowise work an injustice to the Simplex Electric Heating Company, or any other person or concern. The said company is not entitled by common law to the trade-mark “Simplex” as applied to brake rigging, brake heads, brake beams, brake shoes, brake hangers, or clasp brakes, as it has never used the said trade-mark on such merchandise, nor can it in the future use the said trade-mark on such merchandise in view of the prior appropriation by plaintiff. The registration of plaintiff’s trade-mark will not result in any confusion of its goods with those of the Simplex Electric Heating Company, nor result in any possible infringement of the right of said company to the use of its corporate name.

Should there be a doubt as to the proper interpretation of the phrase in question of Section 5 of the Trade-Mark Law, that interpretation should be given which will be

consistent with the intent and purpose of the law. In determining the intent and purpose of a law it was stated by the Supreme Court in *Caminetti v. United States*, *supra*:

“Reports to Congress accompanying the introduction of proposed laws may aid the courts in reaching the true meaning of the legislature in cases of doubtful interpretation. *Blake v. National Banks*, 23 Wall. 307, 319; *Bate Refrigerating Co. v. Sulzberger*, 157 U. S. 1, 42; *Chesapeake and Potomac Telephone Co. v. Manning*, 186 U. S. 238, 246; *Binns v. United States*, 194 U. S. 486, 495.”

The report of the Committee on Patents of the House of Representatives, in recommending the passage of the present Trade-Mark Act, is pertinent, therefore, in determining whether Section 5 should be interpreted as contended for by plaintiff, or as has been done by the Commissioner of Patents. The following quotation is for convenience here repeated from the report of the said committee:

“In the past there has been considerable complaint in regard to what could be registered under the existing laws as a trade-mark. Much of the time of the committee in the hearing of the bill has been consumed in a discussion upon this particular feature of the legislation. Sec. 5 of the proposed bill, we believe, will permit the registration of all marks which could, under the common law as expounded by the courts, be the subject of a trade-mark and become the exclusive property of the party using the same as his trade-mark.”

It, therefore, was the purpose and intent of Section 5 of the Trade-Mark Act of 1905 that it should permit

“registration of all marks which could, under the common law as expounded by the courts, be the subject of a trade-mark and become the exclusive property of the party using the same as his trade-mark.”

The interpretation which has been given to Section 5

by the Court of Appeals of the District of Columbia prevents the registration to plaintiff of its trade-mark "Simplex," although it clearly has established its common-law right to such trade-mark and has acquired a property right therein as applied to the merchandise to which it has appropriated it.

While it is contended on behalf of plaintiff that the word "merely" cannot under any logical interpretation be held to mean that the word "Simplex" is merely Simplex Electric Heating Company, yet if there is any doubt it should be resolved in favor of plaintiff's contention in view of the purpose and intent of the Trade-Mark Law, and particularly Section 5, as stated in the report of the Committee on Patents of the House of Representatives in recommending the passage of the Trade-Mark Act.

Counsel for defendants in his brief before the lower court repeatedly referred to the fact that Congress by the Act of February 18, 1911, amended Section 5 of the Trade-Mark Act of 1905, by adding at the end thereof the phrase:

"Provided further, that nothing herein shall prevent the registration of a trade-mark otherwise registrable because of its being the name of the applicant or a portion thereof,"

and thereby removed the prohibition against an applicant registering as a trade-mark its name, or part of its name, provided it were otherwise registrable, *i. e.*, was not a proper name, descriptive or geographical, but did not so amend the law as to expressly state that a trade-mark otherwise registrable should not be deprived of registration because of its being the name, or a portion of the name, of another than the applicant.

Defendants' counsel contended that Congress thereby approved of the interpretation of the Trade-Mark Act here in question given by the Court of Appeals of the

District of Columbia, as otherwise it would have amended the statute to preclude such interpretation.

The fallacy of this argument of defendants' counsel lies in the fact that it was not for several years after February 18, 1911, when Congress passed said amendatory act, that the Court of Appeals of the District of Columbia had suggested the interpretation of the statute which is here in question.

On January 4, 1915, in its opinion in *Simplex Electric Heating Co. v. Gold Car Heating & Lighting Co.*, 43 App. D. C. 48, the Court of Appeals for the first time suggested that the phrase in question of Section 5 of the Trade-Mark Act of 1905 precluded the Commissioner of Patents from registering a trade-mark good at common law, and hence not a mere name, when such mark constituted the name, or a portion of the name, of some other applicant engaged in an entirely non-competing business from that on which the applicant had adopted and used the trade-mark.

It was not in fact until the decision of the Court of Appeals of the District of Columbia in the instant case, on May 5, 1919, that the question was squarely presented and decided by the said court.

Prior to the decision in the *D. H. Burrell case*, and even subsequent thereto, and until the decision in the *Ramey case*, the Patent Office continued its long established practice of registering trade-marks which were good at common law, even though they formed the name, or part of the name, of another than the applicant, engaged in a business non-competing with that in which the applicant used the trade-mark.

Even if the words of Section 5 of the Trade-Mark Act in question were only susceptible of the literal meaning attributed to them by the Court of Appeals of the District of Columbia, nevertheless plaintiff would be enti-

tled to the registration of its trade-mark on the well-established ground that the words of a statute will be disregarded when they are in conflict with the spirit and intent of the law.

Justice Brewer, in rendering the opinion of this court in *Holy Trinity Church v. United States*, 143 U. S. 457, 459, 472, forcefully stated this rule as to the interpretation of the statutes as follows:

"It is a familiar rule, that a thing may be within the letter of the statute and yet not within the statute, because not within its spirit, nor within the intention of its makers. This has been often asserted, and the reports are full of cases illustrating its application. This is not the substitution of the will of the judge for that of the legislator, for frequently words of general meaning are used in a statute, words broad enough to include an act in question, and yet a consideration of the whole legislation, or of the circumstances surrounding its enactment, or of the absurd results which follow from giving such broad meaning to the words, makes it unreasonable to believe that the legislator intended to include the particular act.

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"It is a case where there was presented a definite evil in view of which the legislature used general terms with the purpose of reaching all phases of that evil, and thereafter, unexpectedly, it is developed that the general language thus employed is broad enough to reach cases and acts which the whole history and life of the country affirm could not have been intentionally legislated against. It is the duty of the courts, under those circumstances, to say that, however broad the language of the statute may be, the act, although within the letter, is not within the intention of the legislature, and therefore cannot be within the statute."

This court, in its decision in *Rock Springs Distilling Co. et al. v. Gaines Co.*, 38 Sup. Ct. Rep. 327; 246 U. S. 312, quoted with approval the following statement of

Judge Sanborn, in *Layton Pure Food Co. v. Church & Dwight Co.*, 182 Fed. 35, 39:

“ ‘Uniformity and certainty in rules of property are often more important and desirable than technical correctness.’ ”

Under the uniform and well-recognized rule of property in trade-marks plaintiff is entitled to the exclusive right to the trade-mark “Simplex” when applied to merchandise for which it was first to appropriate it. The recognition of this property right of plaintiff, through the registration of its trade-mark, is more important and desirable than any technical correctness in the construction of the words “merely in the name of an individual, firm, corporation, or association.”

The enacting clause of Section 5 of the Trade-Mark Act of 1905 is:

“No mark by which the goods of the owner of the mark may be distinguished from other goods of *the same class, shall be refused* registration as a trade-mark on account of the nature of such mark, unless such mark consists,” etc.

This court in its decision in *Estate of P. D. Beckwith v. Commissioner of Patents*, 252 U. S. 538, 544; 40 Sup. Ct. 414, said:

“Since the proviso prohibits the registration not of merely descriptive words but of a trade-mark ‘which consists . . . merely’ (only) of such words—the distinction is substantial and plain—we think it sufficiently clear that such a composite mark as we have here does not fall within its terms. In this connection it must be noted that the requirement of the statute that no trade-mark shall be refused registration, except in designated cases, is just as imperative as the prohibition of the proviso against registration in cases specified.”

The first exception or proviso embraces marks which as a matter of policy are of such universal import and

significance as to render them immune to appropriation for trade-mark purposes by anyone. These marks include emblems and insignia of states, nations and organizations of a social or fraternal nature which are to be deemed of a *higher order* in their relation to the political and social body than mere trading organizations. Obviously classification of goods is not involved in this prohibition, since questions of public policy rather than trade rights are the determining factor.

The second exception or proviso embraces marks which have already been appropriated for trade purposes and applied to goods "of the *same* descriptive properties." Priority of adoption in the *same class* of goods is the basis for this prohibition.

The third exception or proviso is the one with which we are most intimately concerned. This is an exception or proviso which is *in reduction* of the right to register specified in the main enacting clause, and must be thus construed *in relation thereto*. The main enacting clause is directed to distinguishing marks in *the same class*, and to that class only is the *exception* applicable. In the absence of this and other exceptions *all* marks which serve to distinguish the owner's goods "from other goods of the *same class*" would be entitled to registration, and mandamus proceedings would lie against the Commissioner for refusing to register.

The exception must thus be strictly construed, since it is in mitigation of a statutory right which would be otherwise enforceable. This reasoning is further emphasized by an analysis of the third exception itself.

That exception provides, among other things, that no mark "which consists . . . merely in words or devices which are *descriptive of the goods with which they are used* or of the character or quality of such goods . . .

shall be registered." It is obvious that this exception is not a wholesale prohibition against the use of the words which in association with *other* kinds of goods may be considered *descriptive*, but that the prohibition is directed to words which are descriptive of the *particular* goods to which they are applied.

The above suggestions apply to almost any adjective. An adjective is intrinsically a qualifying or *descriptive* word, and yet a multitude of such words have been registered, and are always considered registrable if not descriptive of the *particular class* to which they are applied.

The fact that the third exception or proviso contains within itself a class limitation with respect to the registrability of descriptive words merely emphasizes the fact that everything specified within the third exception must be interpreted and construed as in reduction of rights *elsewhere conferred*. This is the only interpretation of this paragraph which is in harmony with the general tenor of the Trade-Mark Act and which will further the purpose of the legislature "to give a wide latitude to registry."

The main enacting clause having been framed with reference to the classification of goods, it necessarily follows that like considerations permeate every proviso to which they are *applicable*, especially when the statute is thus brought into harmony with the entire theory of trade rights long announced by the courts both in this country and Great Britain.

Furthermore, it is the only interpretation which is in harmony with the rules regarding the interpretation of statutes, which rules always recognize the fact that provisos and exceptions must be limited in their application to the particular subject-matter carved out or exempted from the operation of the main enacting clause.

The relation of a proviso to its context is thus set forth in 36 Cyc. 1161, as follows (italics ours):

“A proviso is a clause engrafted on a preceding enactment for the purpose of restraining or modifying the enacting clause, or of excepting something from its operation which otherwise would have been within it, or of excluding some possible ground of misinterpretation of it, as by extending it to cases not intended by the legislature to be brought within its purview. The proviso is generally introduced by the word ‘provided,’ but its existence and effect are to be determined rather by its matter and substance than by its form. *It should be construed together with the enacting clause, with a view to giving effect to each and to carrying out the intention of the legislature as manifested in the entire act.* The enacting clause is, of course, the principal part of the statute, and, as its terms may be presumed to have embodied the main object of the act, the proviso should be strictly construed. The appropriate office of the proviso is to restrain or modify the enacting clause; and *not to enlarge it.*”

As further explaining the manner in which the statute should be construed, we find in 36 Cyc., 1128, the following statement:

“It is a cardinal rule in the construction of statutes that effect is to be given, if possible, to every word, clause, and sentence. It is the duty of the court, so far as practicable, to reconcile the different provisions, so as to make them consistent and harmonious, and to give a sensible and intelligent effect to each.”

And again, in 36 Cyc., 1131, the following (italics ours):

“The words, phrases, and sentences of a statute are to be understood as used, not in any abstract sense, but *with due regard to the context*, and in that sense which best harmonizes with all other parts of the statute. In expounding one part of a statute therefore *resort should be had to every other part*, including even parts that are unconstitutional or that have been repealed.”

When the above rules of interpretation are applied, the

statute as a whole will be found to be in strict harmony with the established decisions concerning trade-mark rights.

Under any and every recognized rule for the interpretation of statutes the phrase in question of Section 5 of the Trade-Mark Act of 1905 should be so construed as to entitle plaintiff to the registration of its trade-mark.

Previous Interpretations of Statute In Question.

The Trade-Mark Act of July 8, 1870, contained substantially the same restriction as that contained in Section 5 of the present Trade-Mark Act, and which the Commissioner held precludes the registration by plaintiff of the trade-mark "Simplex" because of the corporate name Simplex Electric Heating Company. Section 79 of the Act of July 8, 1870, contained the following prohibition:

"The Commissioner of Patents shall not receive and record any proposed trade-mark which is not and cannot become a lawful trade-mark, or which is merely the name of a person, firm, or corporation only . . ."

The quoted prohibition was held not to extend to the registration of a name of a person other than the applicant. Acting Commissioner Doolittle, in *ex parte Pace, Talbott & Co.*, 16 O. G. 909, held that the above-quoted prohibition of the Trade-Mark Law of 1870 only prevented registration as a trade-mark of the name of the applicant, and did not prevent the registration of any other proper trade-mark on account of it being the name of some other person or concern than the applicant. In support of his position Mr. Doolittle referred to Browne on Trade-Marks, and quoted therefrom the following relative to the construction of the phrase "merely the name of a person, firm, or corporation":

"This has been construed to mean the name of the

party applicant. In some instances the courts have held that the names of historical persons of note could be used as fancy names, and, therefore, be valid trade-marks. In one instance the proposed mark consisted of the word 'Alexina.' The Special Examiner refused registration, because 'Alexina' is merely the name of a woman, and cited instances. This decision was reversed on appeal to the Commissioner in person, who held that the name was an arbitrary symbol as used by the applicant.

"In another case, where an applicant had used for the period of twenty-one years as a trade-mark for bridle-bits and stirrups, the word 'Daniel,' as a fanciful name, was admitted to registry. If this word 'Daniel' were the name of the applicant, it would not be valid for the purpose, but being a pure designation of fancy—meaning, mayhap, him who was thrown into the den of lions—there is no objection to it. Even if another person, whose real name is Daniel, were to set up in a similar business, he would not be permitted to stamp his goods with the simple name adopted as above stated, but would be compelled by a court of equity, if he used it at all, to use with it some distinguishing mark, or his initials, to avoid the possibility of confusion." (Secs. 348, 349.)

After making the above quotation from Browne on Trade-Marks, Mr. Doolittle said:

"I regard this a correct construction of the statute. In decisions cited by the Examiner, especially Porrier's case, the names of the applicants and manufacturers of the goods were sought to be incorporated as an essential part of the mark, and it was not held that the name of an individual, firm, or corporation, when merely arbitrary and fanciful in its signification, could not be the proper subject of a trade-mark. It is not intended that any proper word, whether the name of a person, firm, or corporation, or geographical or other term, be denied registration as a trade-mark, unless the same is descriptive of the quality of the goods, or is the name of the applicant or manufacturer, or place of manufacture, or is deceptive.

"It would render the statute ridiculous to construe it literally. Although the names Socrates and Plato

have been and may be the names of persons, yet, when applied to soap and chewing-tobacco, for instance, would hardly be regarded as objectionable trade-marks, if it appeared that they were not the names of the applicants or manufacturers."

The Trade-Mark Law of July 8, 1870, was followed by the Act of March 3, 1881, in which the interpretation which had been given to the phrase "merely the name of a person, firm, or corporation" in the law of 1870 was expressly embodied through the omission of such phraseology and the substitution of the exact statement:

"But no alleged trade-mark shall be registered unless the same appear to be lawfully used . . . ; nor which is *merely the name of the applicant.*"

Even the prohibition as to the mere name of the applicant was removed from the Act of 1881 by the supplemental Act of August 5, 1882, as follows:

"That nothing contained in the law (of March 3, 1881) shall prevent the registry of any lawful trade-mark rightfully used by the applicant in foreign commerce or commerce with Indian tribes at the time of the passage of said act."

As the same prohibition—namely, "merely in the name of a person, firm, or corporation"—occurs in Section 5 of the present Trade-Mark Act as occurred in the Trade-Mark Act of 1870, it should receive the same construction. As heretofore stated, Section 5 of the present Trade-Mark Act was before this court for construction in *Thaddeus Davids Co. v. Davids*, 233 U. S. 461, 465, and the court said:

"The fourth proviso, or ten-year clause, has manifest reference to marks which are not technical trade-marks; otherwise, it would have no effect. *The owner of a trade-mark valid at common law and used in commerce with foreign nations, or among the several States, or with Indian tribes, may obtain its registration under the act without showing the user of ten years required by this clause.* Sections

1, 2. Congress evidently had in mind the fact that marks, although not susceptible of exclusive appropriation at common law, frequently acquired a special significance in connection with particular commodities; and the language of the fourth proviso was carefully chosen in order to bring within the statute those marks which, while not being technical trade-marks, had been in 'actual and exclusive use' as trade-marks for ten years next preceding the passage of the act." (*Italics ours.*)

The above statement of this court directly supports plaintiff's interpretation of the phrase "merely the name of an individual, firm, corporation, or association." The Commissioner has not questioned the validity of plaintiff's trade-mark "Simplex" at common law, nor that plaintiff has used it in commerce among the several States, and yet he has refused registration thereof. While this court was not called upon to specifically construe the exact portion of Section 5 here in question, yet its statement above quoted relates to the whole section, and clearly indicates that it did not consider that anything in Section 5 could prevent the owner of a trade-mark valid at common law from obtaining registration of it.

That the Patent Office officials are in full accord with the construction of Section 5 of the Trade-Mark Act of 1905 for which plaintiff contends, is evident from the decision of the Acting Commissioner in *Century Electric Co. v. The Thomson-Diggs Co.*, Vol. 13, Trade-Mark Reporter 340, 343, 344, from which the following excellent statement is quoted:

"In none of the foregoing decisions, as I view them, were the conditions present and the terms used such as to indicate clearly the view of opposer, that the court intended to hold to the broader interpretation which is conclusively adopted in the case of the *American Steel Foundries* [264 O. G. 354, 49 App. D. C. 16 (9 T. M. Rep. 364)]. The Trade-Mark Act of

February 20, 1905, as amended, is intended to regulate the registration of trade-marks, and the prohibitions of the Act against registration are all, presumably, based upon probable injury to other persons. Where a corporation as, for instance, the Century Telephone Construction Company, or the Century Camera Company, has employed the word 'Century' and limited it by the succeeding words, and limited also the activities of the corporation by its articles of incorporation, to telephone construction or the production of cameras, it seems difficult to hold that any damage could result to either of those corporations by applying the word Century to spinning tops for children or to tin ware for household uses. This accords with the fact that the Act permits registration by different owners of the same marks used upon goods of different descriptive properties. [*Vacuum Oil Co. v. Gargoyle Textile Co.*, 307 O. G. 235; Court of Appeals, D. C. (13 T. M. Rep. 134)]. It also seems difficult to adopt the view that Congress intended, by the enactment of the clause here under consideration, that a corporation taking out articles of incorporation under the laws of a state should thereby deprive all those interests of the entire nation from registering as a trade-mark, on any goods of any class whatever, a well-known and long-used word because it constitutes one of the words of that corporate name. If the corporate protection is restricted to the class or classes of goods embraced within the corporate name, the clause of the statute becomes a serviceable part of the trade-mark prohibitive law, but if the corporation is held to acquire the broad property rights, above noted, the reason for the prohibition in the Act seems to disappear. It may be that these considerations have influenced the various officials of this office to hesitate to adopt the broadest significance possible of which the terms used by the Court of Appeals, in the various decisions preceding that of the American Steel Foundries case, were capable of being given. Whatever doubt, however, there may have been in these previous decisions, the court has now made its construction of this section of the Act plain, and the case at bar falls within that broad interpretation."

Counsel for defendants asserted in his brief before the lower court that the United States Circuit Court of Appeals for the Seventh Circuit in *Stephano Bros., Inc., v. Stamatopoulos*, 238 Fed. 89, had given the clause in Section 5 of the Trade-Mark Act of 1905 here in question the same interpretation as the Court of Appeals for the District of Columbia.

Even a casual reading of the opinion of the Court of Appeals for the Second Circuit in the said case shows that it does not support the said assertion of defendants' counsel. The Court of Appeals for the Second Circuit held that the clause under consideration of the Trade-Mark Act of 1905 precluded the registration as a trade-mark of the name of an individual, unless printed in some particular or distinctive manner. As a question had been raised as to whether the name of the individual had been printed in a sufficiently distinctive manner to be registrable, the Court of Appeals did not pass upon the matter, but decided the case in favor of the plaintiffs, on the ground of unfair competition.

The court said (pp. 90, 91):

"As the trade-mark in this case is the name of an individual it was not entitled to registration under the act unless printed in some particular or distinctive manner as it was not in association with a portrait of the individual. Whether this trade-mark was printed in 'a particular or distinctive manner' within the meaning of the act was discussed somewhat upon the argument, . . . We shall not pass upon that question at this time as the complainant's rights in this case are not dependent upon the legislation of Congress. Even though the complainants in what they did failed to comply with the requirements of the act of 1905, a question upon which we do not pass, they would still be entitled to the relief they seek."

The Court of Appeals for the Second Circuit therefore gave the same interpretation as that for which plaintiff

contends, namely, that the phrase "merely in the name of an individual, firm, corporation, or association," means *merely a proper name*, and is in no wise inconsistent with plaintiff's contention that where the trade-mark is not a *mere name*, but is a fanciful and arbitrary word, susceptible of exclusive appropriation as a trade-mark at common law, its registration is not precluded.

Stare Decisis.

Sixty individuals or concerns have acquired statutory rights to the trade-mark "Simplex" as applied to various classes of merchandise through their registrations. Plaintiff has acquired a property right at common law to the use of its trade-mark "Simplex" as applied to merchandise to which it has applied it. On the other hand, the Simplex Electric Heating Company has, neither at common law nor through registration, acquired any right to the trade-mark "Simplex" which would be prejudiced by the registration of the said trade-mark by plaintiff. The decision of the District of Columbia Court of Appeals in the Ramey case (46 App. D. C. 400) was to the effect that the Simplex Electric Heating Company was entitled to exclusive right to the word "Simplex" as applied to those classes of goods to which it had first appropriated it. Any right which the said company acquired through the said decision of the Court of Appeals of the District of Columbia is in nowise invaded by the registration by plaintiff of the said word as a trade-mark for classes of merchandise to which it was first to appropriate, such name as a trade-mark.

An even broader application of the doctrine of *stare decisis* supports plaintiff's interpretation of the phrase in question of the Trade-Mark Law. The law of trade-

marks, both at common law and statutory, has consistently recognized the right of the one who first adopted and used a given trade-mark, and has protected it from the use of its trade-mark by others on goods of the same descriptive properties. The law of trade-marks, or unfair competition in trade, has never recognized the exclusive right of anyone in a word or mark as applied to any other class of goods than those on which it has used it, nor has the exclusive right to a word merely because it forms part of a corporate name been recognized, except to the extent of preventing fraud or deception.

The law of *stare decisis* technically is limited to following an erroneous decision where property rights have thereby accrued, but is inapplicable where greater injury would be done by following an erroneous decision than by correcting it. If there has been any decision contrary to the interpretation for which plaintiff contends of the statute in question, more harm would be done in following such decision than in correcting it, if this court is convinced that it is wrong. On the other hand, if the court is in doubt as to the correctness of the interpretation of the statute in question which plaintiff contends for, such doubt should be resolved in plaintiff's favor, in view of the long established common-law right of plaintiff to this trade-mark for the particular merchandise to which it has appropriated it, and in view of the well-recognized law of trade-marks, which is inconsistent with the interpretation of the statute given by the Court of Appeals of the District of Columbia.

Recent Decision of D. C. Court of Appeals Supports Plaintiff's Right to Registration.

The Court of Appeals of the District of Columbia in a recent (March 3, 1924,) decision, *National Cash Register Company v. National Paper Products Company*, 54 App. D. C. 278, held that the National Paper Products Company was entitled to the registration of its trade-mark "National," notwithstanding the protest of the National Cash Register Company, on the ground that the goods to which the trade-mark had been appropriated by the applicant, National Paper Products Company, were not within the scope of the business of the opposer, the National Cash Register Company.

The court in its opinion said:

"It is apparent, in view of this testimony and concession, that appellee's claim to the use of this mark is restricted to a product that in no way can conflict with appellant's use. See *National Cigar Stands Co. v. Frishmuth Bro. & Co.*, present term. The decision therefore is affirmed."

The said decision of the Court of Appeals of the District of Columbia is in accord with plaintiff's contention, and at variance with its decision in the instant case.

Trade-Mark Act of March 19, 1920.

Subsequent to the decision of the District of Columbia Court of Appeals in this case an additional Trade-Mark Act was passed by Congress and was approved on March 19, 1920. The said additional Trade-Mark Act does not, however, in any way affect the plaintiff's right to registration of its trade-mark "Simplex" under the Act of February 20, 1905, and to thereby secure the benefits to be derived from such registration.

The additional Trade-Mark Act of 1920 authorizes the Commissioner of Patents to keep a register of

“(a) all marks communicated to him by the international bureaus provided for by the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires, in the Argentine Republic, August 20, 1910, in connection with which the fee of \$50 gold for the international registration established by article 2 of that convention has been paid, which register shall show a facsimile of the mark; the name and residence of the registrant; the number, date, and place of the first registration of the mark, including the date on which application for such registration was filed and the term of such registration, a list of goods to which the mark is applied as shown by the registration in the country of origin, and such other data as may be useful concerning the mark.

“(b) All other marks not registerable under the Act of February 20, 1905, as amended, except those specified in paragraphs (a) and (b) of Section 5 of that Act, but which have been in *bona fide* use for not less than one year in interstate or foreign commerce, or commerce with the Indian tribes by the proprietor thereof, upon or in connection with any goods of such proprietor upon which a fee of \$10 has been paid to the Commissioner of Patents and such formalities as required by the said commissioner have been complied with: *Provided*, That trade-marks which are identical with a known trade-mark owned and used in interstate and foreign commerce, or commerce with the Indian tribes by another and appropriated to merchandise of the same descriptive properties as to be likely to cause confusion or mistake in the mind of the public or to deceive purchasers, shall not be placed on this register.”

Section (b) has been construed by the Solicitor of the Department of the Interior to mean that the Commissioner may register certain trade-marks which are precluded from registration by the various provisos contained in schedule (b) of Section 5 of the Act of 1905. This additional Trade-Mark Act, therefore, authorizes

the registration of trade-marks which are not recognized by common law, such for instance, as descriptive and geographical names or terms.

The Solicitor of the Department of the Interior in his opinion further held that marks registerable under the Act of February 20, 1905, cannot be registered under Section (b) of the Act of March 19, 1920. The registration of a trade-mark under the Act of 1920 is therefore an adjudication on the part of the Patent Office that such mark is not registerable under the Act of 1905, and the registration of a trade-mark under the Act of 1920 is an admission by the proprietor of such mark that it is not registerable under the Act of 1905. As the Act of 1905 affords registration to all trade-marks good at common law, while trade-marks having no standing at common law are registerable under the Act of 1920, it is obvious that plaintiff's trade-mark "Simplex" is not registerable under the Act of 1920, as it is one good at common law.

Should a trade-mark good at common law, such as plaintiff's trade-mark "Simplex" as applied to railway brakes, be registered under the Act of 1920, such registration might prove embarrassing in a suit instituted against infringers of such trade-mark, inasmuch as registration under the law of 1920 might constitute an admission that it was not a good common-law trade-mark.

While Section 16 of the Act of 1905 provides "That the registration of a trade-mark under the provisions of this act shall be *prima facie* evidence of ownership," the Act of 1920 contains no such provision. A registrant under the law of 1920, therefore, does not derive the advantage of his registration being *prima facie* evidence of ownership.

The following analysis of the Act of 1920 by the United States Circuit Court of Appeals for the Second Circuit

in *Charles Broadway Rouss, Inc., v. Winchester Co.*, 300 Fed. 706, 712, 713, clearly shows that registration under said Act would not afford the owner of a common-law trade-mark the advantages and benefits to be derived through registration under the Act of 1905:

“The act of 1905 confers no title to marks registered under it, but merely makes registration under it *prima facie* evidence of title derived from use at common law. But the act of 1920 does not give to registration under it any effect as a source of title or as evidence thereof. It does not make registration under it even *prima facie* evidence of title. Section 16 of the act of 1905 declares that registration under the act ‘shall be *prima facie* evidence of ownership.’ 33 Stat., pt. 1, c. 592, p. 728 (Comp. St. § 9501). And Act March 3, 1881, § 7, contained a similar provision. 21 Stat. c. 128, pp. 502, 503. The omission of a like provision in the act of 1920 we cannot assume was an inadvertence. Whatever may be the rights of the plaintiff acquired by its registration of the words “The Winchester” under the act of 1920, we are satisfied that it did not obtain thereby even a *prima facie* title to the words as a trade-mark or trade-name.”

“The purpose of Congress in its enactment is evident, when one considers it in the light of the report of the Senate committee on patents to which the bill was referred. That committee, in recommending the passage of it, stated in its report:

“ ‘This legislation has no effect on the domestic rights of any one. It is simply for the purpose of enabling manufacturers to register their trade-marks in this country for the purpose of complying with legislation in foreign countries, which necessitates registration in the United States as a necessary preliminary for such foreign registration. As the law now stands, it enables trade-mark pirates in foreign countries to register as trade-marks the names and marks of the American manufacturers, and thus levy blackmail upon them.’ Report 432, 66th Congress, 2d Session.

“This committee report is in accord with the views expressed by the Commissioner of Patents at a hearing on the bill.”

Plaintiff's trade-mark is one good at common law, and it is therefore entitled to registration under the Act of 1905, and the fact that there has been enacted the additional Trade-Mark Law of 1920 should not deprive plaintiff of its right to register its trade-mark under the law of 1905 and secure thereby the benefits and advantages therefrom, which could not be derived by registration under the law of 1920.

Summary.

1. Plaintiff has a common-law right to “Simplex” as a trade-mark for vehicles and parts thereof such as bolsters, couplers, brakes, as it was the first to adopt and use the said trade-mark on such classes of merchandise.
2. Plaintiff, therefore, is entitled to registration of the trade-mark, as it is the intent and purpose of the Trade-Mark Law to permit valid common-law trade-marks to be registered.
3. The Simplex Electric Heating Company has no exclusive right to the word “Simplex” as a trade-mark on any merchandise other than that to which it was the first to apply and use it. It has never used the said trade-mark on the merchandise for which plaintiff has appropriated it.
4. The fact that the Simplex Electric Heating Company adopted as part of its corporate name the previously old and extensively used word “Simplex” gives said company no exclusive right to “Simplex” except when used as part of its name, and only then as against the fraudulent use of its name by others.
5. “Simplex” is not “merely” the name of the Sim-

plex Electric Heating Company, and hence its registration by plaintiff is not prohibited by Section 5 of the Act of 1905, even if construed to preclude registration of a trade-mark which is "merely" the name of a corporation engaged in an entirely different industry.

6. Section 5 of the Act of 1905, when construed by well-recognized rules of statute interpretation, entitles plaintiff to registration of "Simplex" as a trade-mark for the merchandise to which it first applied and used it.

7. Plaintiff has acquired a common-law property right in the trade-mark "Simplex" as applied to merchandise to which it has appropriated it, and under the rule of *stare decisis* is entitled to its registration.

8. Plaintiff's right to registration of its common-law trade-mark under the Act of 1905 is in no wise abrogated by the enactment of the additional Trade-Mark Law of 1920.

Conclusion.

It is respectfully submitted that plaintiff is entitled to the registration of its trade-mark under the provisions of the Act of 1905, and that the three questions certified by the Court of Appeals for the Seventh Circuit for the advice of this court should all be answered in the negative.

GEORGE L. WILKINSON,
Counsel for American Steel Foundries.

CHICAGO, Oct. 1, 1925.

*Trade name - railway
Competition - "Simplex"*

SUPREME COURT OF THE UNITED STATES.

No. 156.—OCTOBER TERM, 1925.

American Steel Foundries, vs. Thomas E. Robertson, Commissioner of Patents, and Simplex Electric Heating Company.	} On a Certificate from the United States Circuit Court of Appeals for the Seventh Circuit.
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[January 4, 1926.]

Mr. Justice SUTHERLAND delivered the opinion of the Court.

Plaintiff and its predecessor, the Simplex Railway Appliance Company, have used the trade-mark "Simplex" on railway car bolsters since 1897 and on car couplers since 1907, the former being registered in the Patent Office in 1911, the latter, in 1909. In 1917 plaintiff adopted and thereafter used the same trade-mark on brake rigging, brake heads, brake beams, brake shoes, brake hangers, and clasp brakes. Application was made in 1917 to register the trade-mark for the last named uses, but the Commissioner of Patents refused the registration on the ground that the trade-mark consisted merely in the name of a corporation, viz., the Simplex Electric Heating Company, defendant herein. The commissioner's ruling was affirmed by the Court of Appeals of the District of Columbia. *In re American Steel Foundries*, 258 Fed. 160. The case came to this court on certiorari, but was dismissed for want of jurisdiction. *Sub nom.*, *American Steel Foundries v. Whitehead, Commissioner of Patents*, 256 U. S. 40.

Thereupon, this suit in equity was brought in the federal district court for the northern district of Illinois under § 4915 R. S. (*American Foundries v. Robertson*, 262 U. S. 209), to which the Commissioner of Patents voluntarily appeared. That court dismissed the bill and an appeal to the court of appeals followed.

The defendant company was organized as a corporation in 1902. Its predecessors in business had adopted in 1886, and thereafter had used, the trade-mark "Simplex" on insulating or protected conducting wire, the same being registered in 1890. In 1906, the

company registered trade-marks comprising the word "Simplex" as applied to a large variety of other goods.

The word "Simplex" has comprised the whole or a part of trade-marks registered in the Patent Office in approximately sixty registrations by nearly as many different parties and as applied to many classes of merchandise. There are other corporations in the country which now have or have had names which embody the word "Simplex." Neither the defendant company nor its predecessors ever have been engaged in the manufacture or sale of any of the devices upon which plaintiff has used the trade-mark as hereinbefore specified.

Upon these facts the court below has certified the following questions upon which it desires instruction:

"1. Does the clause of Section 5 of the Trade Mark Act of February 20, 1905, 'Provided, that no mark which consists merely in the name of an individual, firm, corporation, or association not written, printed, impressed, or woven in some particular or distinctive manner, or in association with a portrait of an individual . . . shall be registered under the terms of this Act,' prohibit registration as a trade-mark under said Act of the word 'Simplex' by the plaintiff under the recited facts?

"2. Does the said clause quoted of Section 5 prohibit registration under the Act of February 20, 1905, of a trade-mark consisting solely of a single word otherwise registrable under the said Act if that word is the salient feature of the name of a corporation not the applicant for registration?

"3. Does the above quoted clause of Section 5 of the Trade Mark Act of February 20, 1905, prohibit the registration under said Act, of a common-law trade-mark which is the name, or part of the name of another than the applicant, whose business relates exclusively to goods in a different and non-competing class from the goods on which the trade-mark is used by the applicant?"

For the purposes of discussion, these three questions may be resolved shortly into one: Upon the facts, is the word "Simplex" merely the name of the Simplex Electric Heating Company within the meaning of the quoted proviso? The answer to this question will be simplified if we approach it by first considering certain principles of the substantive law of trade-marks and unfair competition, in the light of which the legislation under review must be examined.

The mere fact that one person has adopted and used a trade-mark on his goods does not prevent the adoption and use of the

same trade-mark by others on articles of a different description. There is no property in a trade-mark apart from the business or trade in connection with which it is employed. *United Drug Co. v. Rectanus Co.*, 248 U. S. 90, 97; *Hanover Milling Co. v. Metcalf*, 240 U. S. 403, 413-414. "The law of trade-marks is but a part of the broader law of unfair competition" (*idem*), the general purpose of which is to prevent one person from passing off his goods or his business as the goods or business of another.

Whether the name of a corporation is to be regarded as a trade-mark, a trade name, or both, is not entirely clear under the decisions. To some extent the two terms overlap, but there is a difference more or less definitely recognized, which is, that, generally speaking, the former is applicable to the vendible commodity to which it is affixed, the latter to a business and its good will. See *Ball v. Broadway Bazaar*, 194 N. Y. 429, 434-435. A corporate name seems to fall more appropriately into the latter class. But the precise difference is not often material, since the law affords protection against its appropriation in either view upon the same fundamental principles. The effect of assuming a corporate name by a corporation under the law of its creation is to exclusively appropriate that name. It is an element of the corporation's existence. *Newby v. Oregon Cent. Ry. Co., et al.*, Deady 609, 616; s. c. 18 Fed. Cases 38, Case No. 10,144. And, as Judge Deady said in that case:

"Any act which produces confusion or uncertainty concerning this name is well calculated to injuriously affect the identity and business of a corporation. And as a matter of fact, in some degree at least, the natural and necessary consequence of the wrongful appropriation of a corporate name, is to injure the business and rights of the corporation by destroying or confusing its identity."

The general doctrine is that equity not only will enjoin the appropriation and use of a trade-mark or trade name where it is completely identical with the name of the corporation, but will enjoin such appropriation and use where the resemblance is so close as to be likely to produce confusion as to such identity, to the injury of the corporation to which the name belongs. *Cape May Yacht Club v. Cape May Yacht & Country Club*, 81 N. J. Eq. 454, 458; *Arming-ton & Sims v. Palmer*, 21 R. I. 109, 115. Judicial interference will depend upon the facts proved and found in each case. *Hendriks*

v. Montagu, L. R. 17 Ch. Div. 638, 648; *Higgins Co. v. Higgins Soap Co.*, 144 N. Y. 462, 469-471.

These principles, it must be assumed, were in mind when Congress came to enact the registration statute. And, since that body has been given no power to legislate upon the substantive law of trade-marks, it reasonably may be assumed, also, that, to the extent the contrary does not appear from the statute, the intention was to allow the registration of such marks as that law, and the general law of unfair competition of which it is a part, recognized as legitimate. The House Committee on Patents, in reporting the bill which upon enactment became the registration statute in question, said: "Section 5 of the proposed bill we believe will permit the registration of all marks which could, under the common law as expounded by the courts, be the subject of a trade-mark and become the exclusive property of the party using the same as his trade-mark." Report No. 3147, Dec. 19, 1904, H. of R., 58th Cong., 3d Sess.

The provision, therefore, that no mark consisting merely in the name of a corporation shall be registered, is to be construed in harmony with those established principles in respect of the appropriation of corporate names to which we have referred. Where the appropriation of the corporate name is complete, the rule of the statute, by its own terms, is absolute and the proposed mark must be denied registration without more. But where less than the whole name has been appropriated, the right of registration will turn upon whether it appears that such partial appropriation is of such character and extent that, under the facts of the particular case, it is calculated to deceive or confuse the public to the injury of the corporation to which the name belongs.

The fact, for example, that the articles upon which the mark is used are not of the same description as those put out by the corporation, is entitled to weight, since the probability of such confusion and injury in that situation obviously is more remote than where the articles are of like kind. The cases, naturally, present varying degrees of difficulty for the application of the rule. Primarily, the power and the duty rests with the Commissioner of Patents to determine the question in each case in the exercise of an instructed judgment upon a consideration of all the pertinent facts.

In the present case, these facts are: The word "Simplex" is only a portion of the corporate name; its use by plaintiff is upon

articles the like of which has never been manufactured or sold by the defendant corporation; it comprises the whole or a part of about sixty registrations by nearly as many different parties upon many kinds of merchandise; and it forms part of the names of other corporations in the country.* It is argued that the word in question is the salient feature in the name of the defendant corporation. But that, if conceded, does not settle the question. There may be, of course, instances where a single word in the corporate name has become so identified with the particular corporation that whenever used it designates to the mind of the public that particular corporation. But here it is not shown that, standing alone, the word "Simplex" has that effect; that it is any more calculated to denote to the public the defendant corporation than any of the other corporations in the names of which it is likewise embodied; or, indeed, that it signifies the appropriation of some corporate name though incapable of exact identification. In *Simplex Electric Heating Co. v. The Ramey Co.*, Decisions, Commr. Pat., 1916, pp. 74, 77, 79, 82-83, the Commissioner of Patents, admitting the same word to registry under like facts, said:

"It is a fact that the word 'Simplex' has been in such wide and varied use in this country not only as a trade-mark but as part of a firm or corporation name that everybody has heretofore considered something more than the word 'Simplex' necessary to identify a corporation. . . .

"... the word 'Simplex' does not identify any corporation in particular, for the simple reason that it is equally the name of various corporations. In short, if one referred to 'the company

*The Commissioner of Patents, in a footnote to *Simplex Electric Heating Co. v. The Ramey Co.*, Decisions, Commr. Pat., 1916, 74, 78, gives the following list of corporations, in the names of which the word "Simplex" occurs:

Simplex Arms Mfg. Co., Denver; Simplex Window Co., San Francisco; Simplex Lubricating Co., Boston; Simplex Wire & Cable Co., Boston; Simplex Auto Specialty Co., Detroit; Simplex Concrete Piling Co., Cincinnati; Simplex Machine Co., Atlanta; Simplex Exercising Co., Philadelphia; Simplex Valve & Meter Co., Philadelphia; Simplex Floor Surfacing Co., Baltimore; Simplex Railway Appliance Co., St. Louis; Simplex Air Brake & Mfg. Co., Pittsburgh; Simplex Button Works, New York; Simplex Fire Extinguisher Co., New York; Simplex Golf Practice Machine Corporation, New York; Simplex Ink Co., New York; Simplex Letter Opener Co., New York; Simplex Typewriter Co., New York; Simplex Refrigerating Machine Co., Chicago; Simplex Sand Blast Manufacturing Co., Chicago.

Simplex,' without anything else, it would not be known to what he was referring.

"The word involved in this case is one of a large class of words which have for a great many years been much used because of their peculiarly suggestive meaning. For other examples there are the words 'Acme,' 'Anchor,' 'Champion,' 'Eureka,' 'Excelsior,' 'Ideal,' 'Jewel,' 'Liberty,' 'National,' 'Pride,' 'Premier,' 'Queen,' 'Royal,' 'Star,' 'Sunlight,' 'Triumph,' 'Victor.' It would be a serious matter if the law actually permitted any one who chose to do so to organize a series of corporations with names containing these words, respectively, and thereupon virtually withdraw these words from public use as trade-marks and monopolize them by preventing their registry as such."

On appeal to the district court of appeals, the decision of the commissioner was reversed upon the ground, in part, that the word "Simplex" was a distinctive part of the name of the corporation, *Simplex Electric Heating Co. v. Ramey Co.*, 46 App. D. C. 400, 406; and this was followed by the same court in the present case. It already is apparent that we agree with the commissioner and not with the court.

Under the facts, we are of opinion that it does not appear that the use of the word as a trade-mark upon the goods of the plaintiff will probably confuse or deceive the public to the injury of the defendant or of any other corporation. It follows that the refusal to allow the registration was erroneous.

Question No. 1, therefore, should be answered in the negative, and, since this will dispose of the case, categorical answers to the other questions are deemed not necessary.

It is so ordered.

A true copy.

Test:

Clerk, Supreme Court, U. S.